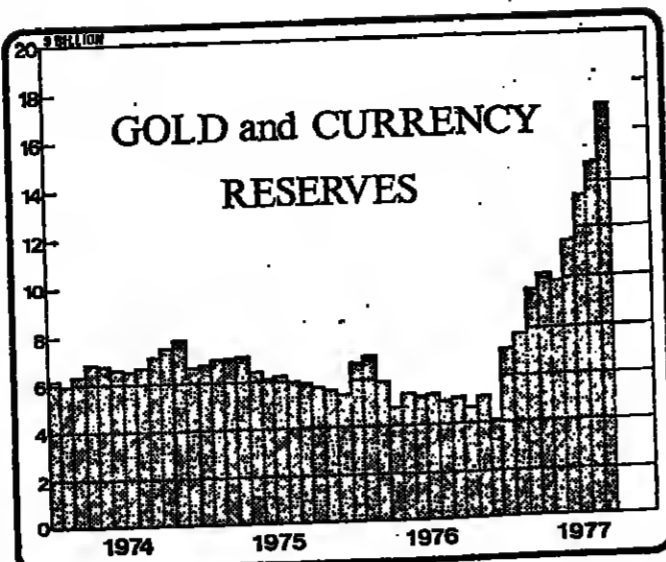


You Life gu... BY ERIC SHOFF

New York Good and bad news

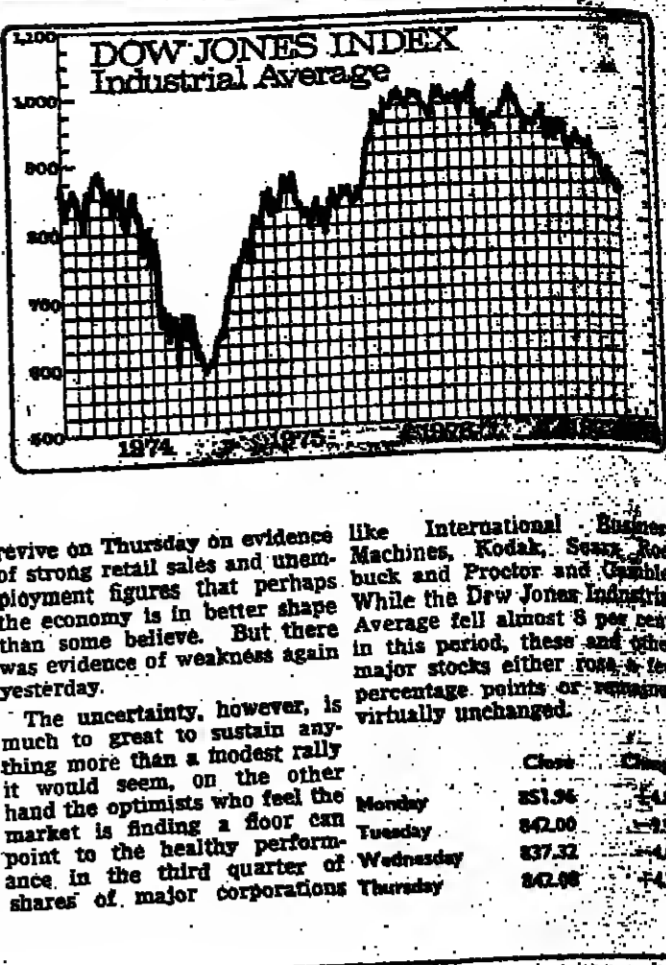
The week in London and Half point cut in MLR revives market

ONLOOKER AFTER THE fireworks of the previous couple of weeks the gilt market was in a more sober mood over the past seven days and in line with recent trends equities followed suit. The market tried to start on a strong note but profit taking was soon apparent although by far the largest interest was fairly low and gilts and equities registered small falls. Profit-taking became more noticeable on Tuesday with the threat over the Government's pay policy leading to fears over inflation and this left the market up to £2 lower. This trend continued into early dealings on Wednesday but speculation over another cut in MLR coupled with good gold and currency figures restored confidence and gilts recovered about 1 point while the FT index rose 4 points. Prospects of yet another cut in interest rates fuelled further gains in gilts on Thursday but since much had been discounted by this time the actual cut in MLR failed to have any real impact. Moreover some profit taking was again seen in late dealings. Another half point cut in MLR yesterday to 3 1/2 per cent has already got the City in the mood to predict another drop within the next few weeks—a far cry from a year ago when MLR reached a record 15 per cent. This latest reduction puts further pressure on the clearing banks to cut their own lending rates. Currently they are operating on a base of 7 per cent, which is well above other short term market rates, and has left them open to competition, particularly from the U.S. banks in London. Undoubtedly the clearers are loath to chop their rates because of the resulting squeeze on margins but after yesterday's move it seems inevitable that they will have to make a reduction. Profitability will be hit again and analysts may start downgrading profit forecasts, which already show an unexciting trend. The clearers may be unhappy but the finance and discount houses are in a far different mood. Both reap the benefit of a fall in rates—a point not lost, on the market as demonstrated by the table of top performing sectors. For the finance houses the dramatic decline in short-term rates gives an initial sharp jump in margins as most of their lending is done on a fixed rate basis. The discount houses meanwhile make large capital gains on the paper they hold such as Treasury Bills. Admittedly the lower rates do tend to reduce the margins that can be made on day to day lending, but any squeeze is offset by the capital profit which also has the effect of expanding the size of their dealing books quite significantly. Even though both sectors have been star performers in recent weeks the shares still have some way to go. For the finance houses there is the hope that Government restrictions on finance for car purchases will be eased, which the discount houses are not yet fully reflecting in the underlying profits growth. The property giants are also feeling more relaxed. Bank borrowings account for £1.7bn. of the sector's total debt of £4bn. and lower interest rates are obviously helping profits. The shares have come in for a significant re-rating as a result, but some analysts reckon that the market has overstepped the limit. A price standing at a 20 per cent discount to the asset value is quite normal, but current price ratings are much closer to the underlying worth and there is the possibility of some shake out before too long.



EMI disappoints EMI has been the second worst performer within the FT 30-share index this year and the share will not have been helped by the pedestrian full year figures announced on Thursday. The stock has so far completely missed out on the bull market and a share price of 219p yesterday was 7p lower than at the beginning of the year—only Tate and Lyle among the "Top Thirty" has a worse record. Much of EMI's growth hinges have centred on its revolutionary TOP PERFORMING SECTORS IN FOUR WEEKS FROM SEPT. 8

BY STEWART FLEMING NEW YORK, Oct. 7. INVESTORS on Wall Street continue in a fickle mood, reacting unpredictably to good and bad news. Some would argue that they are torn between the past and the future. On historical grounds the share prices of major corporations on Wall Street's markets have rarely been as cheap. The Dow Jones Industrial Average is selling at only about eight times earnings for the third time in 35 years and below the book value for its 30 component stocks. Looking forward, however, investors fear that the approaching slackening of the growth of the economy will be faster and longer duration than the Carter Administration seems to be expecting. More immediate fears are those who do not find the reassuring remarks that the Federal Reserve Board has been making about its intentions to move too far away from slowing down the money supply entirely convincing. Federal Reserve Board credit policy is once again approaching the point—now that prime rates have risen to 7 1/2 per cent—at which the threat of a conflict on economic policy with the Carter Administration is again rearing its head. Treasury Secretary Michael Blumenthal's remarks about a more stimulative fiscal policy and the warnings from the head of the Council of Economic Advisors Mr. Charles Schultz that the Fed is misreading the money supply indicators may only be harbinger of deeper conflicts to come. So over the past two weeks investors have twisted themselves this way and that. A week ago as money supply figures declined taking some of the pressure off the money markets, a modest rally developed. But by Tuesday of this week, with a rise in prime rate from 7 1/2 to 8 per cent, the share prices slumped again only to



Mining A sense of history

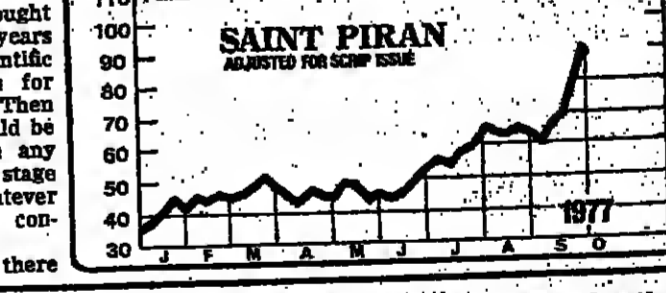
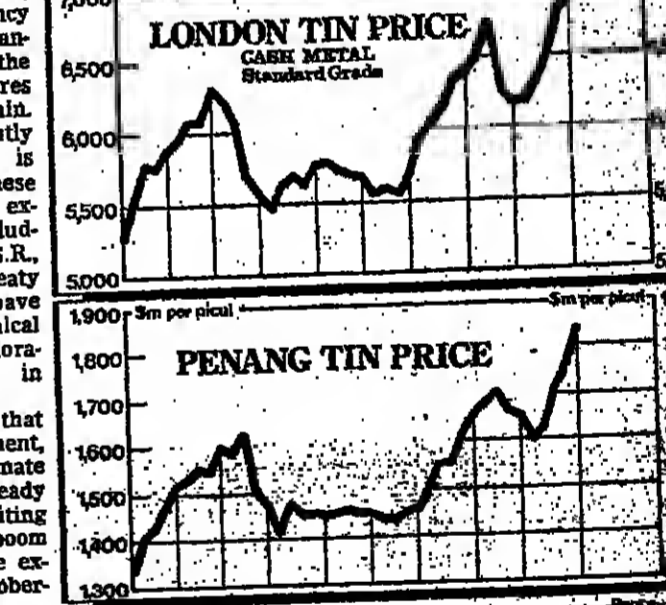
BY PAUL CHEESERIGHT IT IS romantically appropriate that Saim Piran, whose previous non-commercial incarnation was as patron saint of Cornish tin miners, should tap a rich vein of historical interest among hard-headed investors with its offer for sale of shares in South Crofty. What is being sold is indeed a piece of British commercial and industrial history. South Crofty may be the largest tin mine in the country now, but it is the inheritor of a long tradition. "Cornish tin is an ancient famous product of metal price at Britain," wrote one historian. And there is a neat contrast to the fervour attending the South Crofty sale in the fact that while share applications were being received in one part of London, technical experts were sitting down in another part pondering the feasibility of mineral exploitation in an area of potential for a future generation—Antarctica. The scale of the interest in South Crofty was almost overwhelming. Saim Piran offered 5.25m shares, or 35 per cent of the equity, at a price of 50p a share. But Joseph Sebag, the stockbroker handling the sale reported applications for nearly 241.9m shares, or nearly 47 times the number available. The number of applications was 36,508, showing at once that the private investor given alert to the opportunity by what is generally acknowledged as an advantageous offer price. And the point is emphasised by the disclosure that that the greater part of the applications, about 34,000, were for up to 10,000 shares. Of that 34,000, a substantial portion, 7,000 applications, were for 200 shares, the minimum available in one purchase. At the other end of the scale there are only 50 allotments of over 10,000 shares and the biggest allotment is 80,000 shares. Trading in South Crofty shares will start on Tuesday. It will be the first time they have been on the market since 1967. Brokers are expecting a premium of at least 10p on the offer price. Certainly they come to the market at an opportune time. The rise in the Saint Piran

revive on Thursday the evidence of strong retail sales and unemployment figures that perhaps the economy is in better shape than some believe. But there was evidence of weakness again yesterday. The uncertainty, however, is great to great to sustain anything more than a modest rally it would seem, on the other hand the optimists who feel the market is finding a floor can point to the healthy performance in the third quarter of shares of major corporations like International Business Machines, Kodak, Sears and Roebuck and Procter and Gamble. While the Dow Jones Industrial Average fell almost 3 per cent in this period, these and other major stocks either rose or fell percentage points or remained virtually unchanged. The uncertainty, however, is great to great to sustain anything more than a modest rally it would seem, on the other hand the optimists who feel the market is finding a floor can point to the healthy performance in the third quarter of shares of major corporations like International Business Machines, Kodak, Sears and Roebuck and Procter and Gamble. While the Dow Jones Industrial Average fell almost 3 per cent in this period, these and other major stocks either rose or fell percentage points or remained virtually unchanged. Technical problems have prevented Greenvale from reaching full capacity, even if the market could have absorbed the output. But the size of the project is large enough to dwarf Molybdenum, which has decided to consolidate its operating subsidiaries. Exploration in Queensland. Its partner in Queensland is Freeport Minerals of the U.S. In similar vein, BH South, another Australian group, is still making losses, largely because of its Queensland phosphate subsidiary, which has been sucking in capital while falling to win the contracts anticipated when the project was developed. BH South had a consolidated operating loss of \$43.9m in the year to June 1977, compared with a loss of \$26.25m in the previous year. For the improvement, it had to thank investment income, but the investment dollar premium model project in Queensland is still a dead weight to shareholders. Shareholders have

MARKET HIGHLIGHTS OF THE WEEK. Table with columns for Index, Price, Change on Week, 1977 High, and 1977 Low. Includes Treasury 12pc 1995, Assam Frontier, British Indian Tea, etc.

U.K. INDICES. Table with columns for Average, Oct, Sept, and Sept 23. Includes FINANCIAL TIMES, FT ACTUARIES, and Red. Debs.

Private investor. Text discussing the number of applications and market activity for South Crofty shares.



TV ratings, week ended October 2. Table with columns for U.K. TOP 20 viewers, Programme, and Rating.

TV Radio section listing various channels and their programming for BBC 1, BBC 2, and London. Includes programmes like Northern Ireland, Saturday Cinema, and The Dick Emery Show.

Granada, Tyne Tees, Ulster, Westward, and Yorkshire sections listing their respective TV and radio programmes.

Radio 1, Radio 2, and Radio 4 sections listing their radio programmes and broadcasts.

BBC Radio London and Chess Solutions sections. Includes a list of radio programmes and chess puzzles.

Large advertisement on the right edge of the page, featuring '63%' and other promotional text.

Your savings and investments

Life guardian

BY ERIC SHORT

WHEN TROUBLE comes, these days, the cry goes up: "What is the Government doing about this?" This was certainly the case when National Life, London Indemnity and General and a few other life companies ran into trouble in the mid-1970s. And in response the Government brought in the Policyholders Protection Act, 1975, which ensured that in future policyholders would get at least 90 per cent of the benefits should their life company run into trouble—and made the life assurance industry foot the bill.

But prevention is better than cure. The Insurance Companies Act 1974 gave the Department of Trade very great powers in monitoring life assurance companies' operations, to ensure that they were on a sound financial footing, and that corrective action could be taken early should difficulties emerge. Life assurance is a technical business, in which actuaries, who value assets and liabilities, play a dominant role. The Department of Trade needs a high level of actuarial advice in order to carry out its responsibilities—and here the Government Actuary has a vital role: in fact he and his staff are leading members of the Department's team.

This week, I talked with Edward Johnston, the present Government Actuary, on his role and that of his staff in the supervision of life assurance.

One feature came over very strongly during the interview. The DoT and the Government Actuary do not tell life companies what to do. The responsibility rests with the directors of life companies, who are advised by their own appointed actuaries.

What he does do, however, is to tell life companies when they are starting to go wrong—in particular when he considers that they are making insufficient reserves for the risks being undertaken, and when solvency could be endangered.

For instance, he may consider that the capital backing, either in the form of issued share capital, loan capital or even guarantees, is insufficient for its ambitious ideas for the future as set out in its submitted new business plan. Or he may feel that the company actuary has not given sufficient attention to his valuation of the mismatching of assets with liabilities. The actuary's work involves making decisions based on professional judgment; the Government Actuary's job is to check that such decisions will not jeopardise the ultimate solvency of the life fund.

When such occasions do arise, though, how does he go about putting things right? To put it in a nutshell, by using the actuarial old-boy network to oil the wheels.

For Mr. Johnston's profession is still a very small one in terms of the numbers employed in it, and the leading figures in the field, from whom most appointed actuaries are chosen, are all well known to each other and to the Government Actuary. In fact, Edward Johnston firmly believes in informal contacts when it comes to supervision.

This ensures that matters are kept confidential between the DoT and the life company concerned. Some consumers reckon that this is the wrong approach, and that they have a right to know when there is the slightest thing wrong with a life company. But publicity at an early stage would most likely be the kiss of death for the company concerned. And for policyholders, at least, it is best if matters are sorted out behind closed doors. The security of the DoT and the Government Actuary's Department is in fact remarkable. Last year the DoT took action of some sort over 50 life companies, but there was never any hint of which policyholders may reassure themselves with the thought that the Government Actuary and the Department of Trade have a vested interest in ensuring that no other life company runs into trouble. For if such an event did occur, they would have to produce some very good and convincing explanations as to why it was allowed to happen. The Department's powers are there to be used. At the same time Government Actuary is determined that initiatives should not be stifled. Developments and product innovations are, he says, the responsibility of the life assurance industry and not of the Government—a refreshing attitude from a civil servant.

But this is not Mr. Johnston's only responsibility. He is very much involved in both the State and occupational pensions field, and is concerned with the pension schemes worked out for public servants such as doctors, teachers and so on, as well as advising various Government departments on a host of actuarial matters. In his dealings with life assurance companies he is backed by a team headed by Colin Stewart, director of the life assurance division, David Loades and Charles Cannon.



E. A. JOHNSTON

Financials for a rise

BY ADRIENNE GLEESON

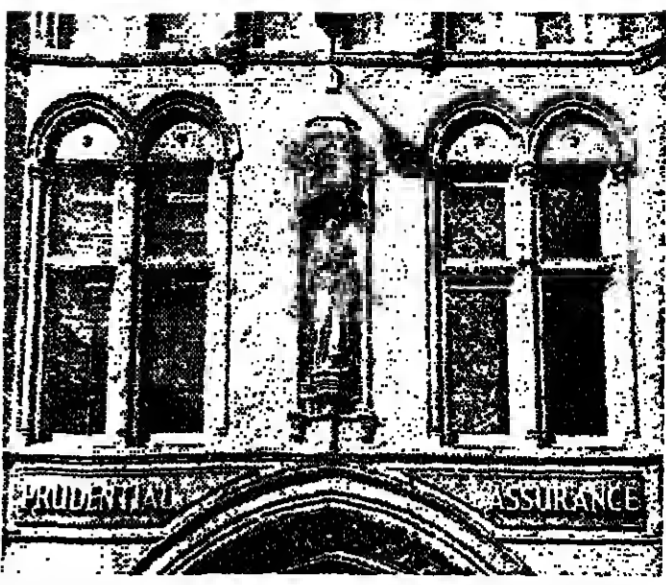
AT THIS STAGE of the market it is necessary for those who have either been slow in getting off the mark, or speedy enough to have profits to take in the recent lull, to go looking for sectors which have not done too well out of the rise so far when they want a new home for their equity money. And the financial sector is one such.

Not that you'd think so, to go far this year. The financial group as a whole is up by 55.6 per cent, as against a rise of 53.9 per cent in the industrial group, and one of a mere 47.2 per cent in the All-Share Index.

And some components of the financial sector have done much better than that: the hire purchase index, for example, is up by 123 per cent, that for composite insurance shares by almost 73.5 per cent, and that for merchant banks by over 66 per cent. However, in bogging down the gains which you might have made so far, it's also necessary to hear in mind the base from which those gains were made. Financial shares normally lead the market up, but not this time. Confidence was so badly jolted in the secondary banking crisis of 1973-74 that the sector lagged up in the wake of Wall Street. In the hire purchase business, too, it's a matter of buying in speculation, for the best performing sector in the market this year offers very little in income seekers. Rumours of imminent takeover are, however, rife; and they concern practically every quoted stock in the sector. If I were buying on this possibility I'd be buying UDT, now showing signs of recovery after some years of near crisis, for bidders tend to come in when the end of the tunnel is in sight.

However, I'd rather go for a sector which offered me income as well as rationalisation possibilities—and under these circumstances I'd look, instead, to the discount houses. As the results from CIVE, earlier this week, demonstrated, they have been doing extremely well out of falling interest rates; and since it's plain that short-term interest rates are not likely to turn in the near future, and long-term interest rates probably have further to fall, I reckon that they will continue to make hay. This is in some ways the perfect sector for the small investor, since the companies in it are capitalised at levels too low to attract in the big institutional holders. So while profitability can turn very sharply on any sudden change in interest rates, share prices don't tend to move with the volatility that that implies. And in the meantime there are handsome yields to enjoy—well over 8 per cent, in the case of Seevombe Marshall, over 7 per cent, for Alexander's.

And finally for the insurance companies. Composites have had a very good rise this year—and enough, perhaps, given that the market, as well as from enhanced investment income, losses are not yet solved. However life assurance companies like the Prudential still look undervalued. Like investment trusts, they are characterised by a high level of assets—which aren't necessarily going to bear any relation to the share price in anything short of a decision to mutualise or a takeover. Unlike investment trusts they offer a yield better than the market—and this year, despite actuarial caution, profits should benefit from a higher capital element following the rise in the market, as well as from enhanced investment income.



Old fashioned faithfuls

IT IS A CURIOUS and illuminating fact that the unit trust performance figures published last week by the magazine *Money Management*—and had a look in that issue—show that the U.K. stock market has been going through a period of relative stability. This is because the old-fashioned trusts which have been turning up trumps for investors this year, the trusts, which are simple in structure, and which have gained from rising interest rates, and the value of fixed interest stocks has been rising on the back of falling interest rates. You might also point out that

whereas in Britain there is at least reason to hope for a recession, elsewhere stock markets have been animated by such expectations. But none of these arguments explain why the specialty trusts tend to show up badly on a longer-term.

The fact of the matter is that the more specialised trust, which is the greater likelihood is that will be invested in markets which are out of favour. Trust managers take two approaches to the problems which this creates. Some bold investors are after a good performance rather than a good performance in a particular sector, and build a

saving clause ("and general") into their titles and objectives. Others take the view that an investor who has opted to put his money into, say, America, will be none too pleased, should his judgment turn out to be correct, to discover that the fund manager of the American fund which he chose as his vehicle took the contrary view and pushed a good part of his funds into some other market. Both arguments have some merit. When it is in favour of a sector—and a trust specialising in that sector—will perform far better than the market as a whole. But consistency of performance is something else again. Very few funds will be able to achieve full investment in an area at once sufficiently specialised to provide performance, and sufficiently diversified to provide spread—though Arbutnot achieved it with its commodity fund, and Chelstan is hoping to do likewise.

So investors, as always, have to make up their minds about their own requirements. These prepared in job in and out land capital gains tax concessions make this a relatively painless procedure with unit trusts—assuming of course, that the investment was successful in the first place! may reasonably opt for the specialty trust: less ambitious investors would do well to leave them be.

Hunt out those old securities

LADIES AND GENTLEMEN: October 31 approaches: do please, please, I beg of you, go and hunt out all those old securities inherited from uncles, grandmothers and other fervent believers in what were once the far-flung parts of Empire, and get them registered at the Bank of England by an authorised depository. Otherwise you stand to do yourselves out of a fair amount of money.

For on October 31 the patience of the Old Lady of Threadneedle Street will finally run out. She's given plenty of warning of it. For five years now, ever since the sterling area was pruned, she's been providing intermittent absolution for those who came forward to confess that they had broken the law—by keeping stocks and shares from countries now outside the sterling area, Australia, South Africa and the like; instead of depositing them with an authorised depository as the foreign exchange regulations prescribe. Absolution was for-



known as the dollar premium—it's the amount over the odds you have to pay in order to invest abroad) is currently running at around 30 per cent, throwing away the right to 75 per cent of that on a sale of these securities is going to reduce your proceeds to rather less than 62 per cent of what they would have been had you bestirred yourself, deposited your stocks and had them registered with the Bank of England.

What do you have to do? Find an authorised depository (most solicitors, stockbrokers, banks and the like), take your securities along to him, and ask him to get them registered. In addition, it isn't enough to assume that if your securities are deposited at the bank they'll automatically qualify: you want to make certain that your bank manager is aware of which those still unregistered of weeks for the formalities, just in case; and that means that you have to hunt out the papers

7.63% An income 50% higher than the ordinary share average, with scope for capital growth.

With inflation continuing at a high level many people are realising that high investment income is not enough. The real need is for high *and* growing income, with a measure of capital appreciation.

Midland Drayton High Yield Unit Trust was created with just this aim, and has proved its popularity by extracting over £2,000,000 in its first seven months.

High Yield
The estimated gross yield on Thursday, 6th October, 1977, was 27.63% p.a. This was over 30% higher than that of the F.T. Actuaries All-Share Index (which at 6th October, 1977 was 24.90% p.a.) and it is the Managers' declared aim that this differential will be maintained.

Prospects for Growth
Over 90% of the fund is invested in U.K. ordinary shares, chosen for their growth prospects as well as for high yield. The rise in the price of units from 50p when they were launched in February to the offer price of 64.7p and on 6th October shows that the scope for growth within market conditions are favourable is very real. You should, however, regard your investment as a long term one. The price of units and the income from them can go down as well as up.

How to Invest
To buy High Yield Units, simply fill in the coupon and return it to us, or hand it in at any branch of Midland Bank, City of London or Northern Bank.

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Application Form

The Midland Bank Group Unit Trust Managers Limited, Coventry House, Silver Street, Sheffield, S1 2BQ. Tel. 0122-78831. Reg. Office 27/28, Pauling, London EC2P 2DQ. Fax: 06-22977, England.

I/We enclose cheque payable to you for: (minimum £200)

For investment in Distribution Units Accumulation Units (tick which)

of Midland Drayton High Yield Unit Trust at the index ruling on the day you receive this order. (For your assistance, the offer price on Thursday 6th October, 1977 were: Distribution Units 64.7p and Accumulation Units 65.5p.)

Surname (Mr., Mrs., Miss)

For names in full

Address

Postcode Date

I/We hereby declare that I/we are not resident outside the United Kingdom and that I/we are not a partner in a partnership which is not domiciled in the United Kingdom. (If you are unable to make this declaration it should be signed and witnessed by a Solicitor, a Bank, Stockbroker or Solicitor in the United Kingdom.)

Signature

(In the case of joint applications, all must sign)

Please send on details of your Share Exchange Scheme Savings Plans (tick if this applies)

How to earn £37,500 tax free and £12,500 p.a. income. Without it costing you a penny.

If you are a director or senior executive, you're probably well aware how tax and inflation eat into your salary and savings. But there is a way that you can look forward to a large tax-free cash sum plus a high income when you retire.

And it need not cost you a penny, because all the costs can be paid by your company and will qualify for full corporation tax relief.

All this can be achieved through a National Provident Institution Capital Pension Plan. Here is an example.

A 45 year old director is earning £10,000 p.a. His company takes out an NPI Capital Pension Plan and pays all the contributions.

As his salary rises, so can the contributions to ensure his benefits remain in line.

Suppose that by the time he reaches 65 he's earning £25,000 p.a. On that basis, he can have a tax-free cash sum of £37,500 plus an annual income of £12,500.

What's more, as there is no limit on contributions (only on maximum benefits) the same benefits could have been built up had the director joined the Plan 3 or 4 years before his retirement.

Not only is this a way of making good use of company money, it is also an excellent way of remunerating and motivating key people, while still remaining within the Government's present pay guidelines.

Whatever the size of your company, if you would like to know more, simply fill in the coupon and post it to NPI so that we can send you complete details of our Capital Pension Plan.

Then talk with your insurance broker.



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Motoring



Toyota Crown Super 2600

SO FAR, the Japanese importers have made their biggest impression on the cheaper end of the market, where cars like the Datsun Sunny, Toyota Corolla and Colt Lancer have won an embarrassingly large share of registrations. Now it seems that sights are being raised and a head drawn on the senior executive volume may be smaller but the pickings are richer.

The Toyota Crown Super 2600 I drove for a week recently is clearly aimed at the business buyer in the Jaguar bracket, who may well be chaffer-driven for part of the time. The styling is deliberately understated. In its silver-grey metallic paint and pale blue corded cloth upholstery, it looked like a Japanese replica of one of the current breed of American cars which try terribly hard to resemble the offspring of a Rolls-Royce Silver Shadow crossed with a Mercedes 450 SEL.

The more I studied it, the more I thought I could detect undertones even of the old Humber Imperial and the RR Silver Cloud II. But it all adds up to a sober and not undignified car. Most people I showed it to rather liked it and some found it difficult to believe it was Japanese. The contrast between the latest Crown and the earlier one, which looked like a mobile soda fountain, could not be more complete.

The Crown is as conventionally designed as any American car and is very much like one to drive—or at least, it is like one fitted with a heavy duty suspension kit of stiffer than normal springs and bigger shock absorbers. Power assisted steering is light and silky but rather dead. It lacks self-return action so that after taking a corner, you have consciously to spin the wheel back to the straight ahead position.

The ride is firmer than that of the typical American car, but

Japanese deluxe

BY STUART MARSHALL

he had a hard meeting to attend would have difficulty in reading his newspaper.

Interior equipment is as elaborate as one would expect of an up-market Japanese car. The seats, front and back, are most comfortable and the air conditioning works well. It even has a filtration system which purifies recirculated air, though it lacks the Jaguar's thermostat. As the sun came in and out, I had to fiddle constantly with the fan speed to maintain the right temperature.

Along with the air conditioning, Toyota threw in an excellent long, medium and FM radio with aerial incorporated into the rear window; an auto reverse cassette player with four speakers; electric windows; and doors that lock automatically when the car is doing just over 15 mph. About the only worth while accessory not included in the standard package is an electrically adjusted door mirror. Perhaps Toyota might like to think about one for 1978 because remote-controlled mirrors (like centralised locking) are fast becoming essential equipment on the top executive car.

Toyota's other new car, introduced at the same time as the latest Crown Super, is the Cressida. This four-door model is a worthy competitor to the Ford Cortina GHA in sixth gear, and equipment which includes a horn, wipers and night steering. This is especially true of the estate car, which has rear leaf springs, not coils like the saloon, and hops about on corners when driven briskly on country roads. But a full load improves matters considerably, and the family labourer found the big carpeted load floor so agreeable a place to ride in she had to be ordered out at the end of a journey. At £3,755 the Cressida estate car looks an uncommonly good buy.

Golf

And now for a tough finale as Marsh meets Floyd at Wentworth

BY BEN WRIGHT

GRAHAM MARSH, without losing to his great friend Marsh by 7 and 6, the victim of the kind of ruthless golfer of his generation and runner-up here in a controversial final in 1973, gets another bite at the cherry when he meets the burly American Ray Floyd, runaway winner of the 1976 U.S. Masters tournament over 36 holes in the inaugural final of the Colgate World Match Play Championship over the West Course.

The third-place play-off will take place also between the beaten semi-finalists, besotted American winner of this championship in 1975 and 1976, Hale Irwin, and the brilliant 20-year-old Spaniard Sevy Ballesteros. Irwin, who is in no way a graceful loser (and I love him for that), regards this exercise as a waste of time, having lost. Ballesteros would prefer it to be played over 18 holes, but is a good man to back since he is interested in the money involved. It is unlikely to be a gentle match, since Irwin is one of the Americans who dislikes the Spaniard's interpretation of the rules.

In two absorbing semi-finals, Irwin was distinctly off colour in

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Yachting

Reaching the Cape

CAPE TOWN, F.R.I., Oct. 7. AS THE HOURS passed to Cape Town today it seemed more and more probable that the Dutch yacht Flyer, first to finish the South African, Flyer and Kings world yacht race, will also be the winner of the leg on handicap.

She beat the British yacht Kings right into them losing almost two hours, reaching the Cape on Wednesday and beating the existing 45-day record by more than three days. Third yacht to finish, on Thursday evening, was the remarkable veteran Great Britain II, skippered by Robert James and crewed by 16 far-paying amateurs from all over the world. Great Britain II had been well touched with the leaders for most of the 6,700-mile voyage until the South Atlantic high seas broke over her hull. James and crewed by 16 far-paying amateurs from all over the world. Great Britain II had been well touched with the leaders for most of the 6,700-mile voyage until the South Atlantic high seas broke over her hull. James and crewed by 16 far-paying amateurs from all over the world. Great Britain II had been well touched with the leaders for most of the 6,700-mile voyage until the South Atlantic high seas broke over her hull.

and a gallon of Long John whisky. Disque d'Or is expected in Cape Town either late tonight or early Saturday. The remaining 12 yachts heading for Cape Town which have all been forced to take a course well to the south to avoid it. This has virtually ensured that the smaller yachts which had seemed capable of snatching the bandol cap success of the Dutch from Flyer by arriving by Saturday morning are now not expected until late to-morrow night. Meanwhile the team prize will almost certainly go to Flyer and Kings as they were matched as a team by lottery before the start in Port Elizabeth. This will earn them a share of £10,000.

Gardening

Herbaceous orders

HERBACEOUS BORDERS may be finished so far as private gardens are concerned, but herbaceous plants must be ordered before it is too late. That thought was powerfully borne in upon me at last week's highly successful RHS autumn show when, amidst all the 'glory of the dahlias, chrysanthemums, roses and shrubs, and one quite stunningly decorative display of vegetables from Reading University, a relatively small group of hardy plants seemed to me the most lastingly seductive of the lot. It was staged by Beth Chatto who specialises in the less familiar species and, sitting something rather similar at Chelsea, where I thought that she also almost stole the show. But there, only a few yards distant, she had the competition of that veteran campaigner for hardy plants Alan Ribton, under the guise of his Birmingham Nurseries, and it was difficult to say which exhibit had the better plants. At the autumn show Miss Chatto had this particular field to herself, for although other exhibitors staged perennials they were, by comparison, stereotyped and did not compel one to go back again and again to have yet another look, as Miss Chatto's did.

There are two special qualities that seem to me to give herbaceous perennials the edge over all other plants, particularly for small to medium sized gardens. First there is their almost endless variety of form, colour and character, and the fact that something can be found to fit almost any situation. Second is the obliging readiness of most of them to be stored almost as frequently as they like so that, if mistakes are made in sowing or arrange-

ment one is not faced with a major task of replanting or even repurchasing, as one well may be with trees and shrubs. Many perennials are actually all the better for being lifted, divided and replanted every second or third year and it is only a few, like the peonies and hellebores, that prefer to be left alone.

What Miss Chatto's and Mr. Bloom's exhibits always demonstrate is that there is no need to stick to the conventional lines with hardy perennials. Delphiniums, phloxes, heleniums, erigerons, michaelmas daisies, irises and peonies are excellent in their place but there are hundreds of less familiar plants with far more character waiting to be discovered and used.

When, for example, until Miss Chatto showed it last week, had ever heard of *Tocora virginiana*—Painter's Palette, a relation of the knotweeds with green leaves daubed with pink and maroon. I have been unable to find it in any reference book though in the RHS dictionary I did eventually find *Polygonum virginicum*, evidently an old name for the genus. But even here there was no mention of Painter's Palette which is clearly the form to plant. The RHS dictionary says that the species comes from North America, Japan and the Himalayas and is hardy. A knowledgeable friend who has grown it found it a little unreliable in hard winters. But it looks as easy to propagate by division as any knotweed and it should be no great problem to keep a few pieces in a sheltered place in frame just in case of losses.

Then there was an enchanting masterwort with reddish purple flowers which Miss Chatto showed as *Astrantia rubra* by which I presume she means *A. caryophyllata*. If so, it seems to be a particularly good form, especially rich in colour, and it should be a delightful plant for a cool, semi-shady place. All the masterwords are distinctive little plants with flowers that look like tiny replicas of a Victorian posy, each little pincushion cluster surrounded by a priming of stery calyx segments. *Astrantia* are so easy to grow that they can even be naturalised in grass provided it is not too coarse and is not cut until they have completed their growth.

Some clever people seem to have been crossing *Cartanotus paniculatus*, the plant which we used to call antithyza or Aunt Eliza if we could not remember that name, with *Crocus masonorum* or *Crocus masonorum*. I am not sure which. One

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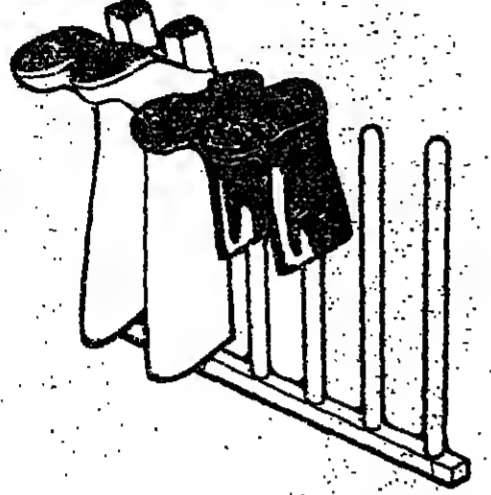
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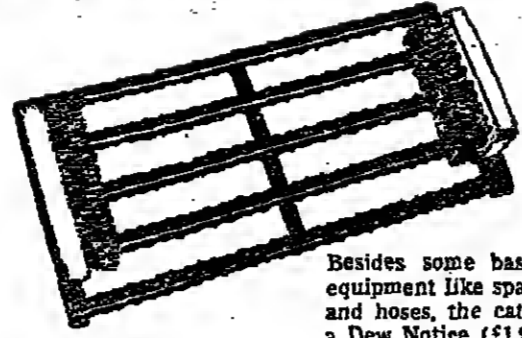
How to spend it

Growing needs

THE GARDENER'S Catalogue is exactly what it says it is — a simple, well-illustrated catalogue from which people with gardens may order some of the things they need from the comfort of their own sitting-rooms. It is an admirable way to choose Christmas presents for rural friends and relations and in each new catalogue (I wrote about the summer one several months ago) there is always something that seems new and interesting.



Those who live in the depths of the country and/or are addicted to gardening or long walks would probably find the small corner of the catalogue given over to products for keeping footwear in order particularly useful. The Boot Tidy, illustrated here, is a sturdy wooden rack, which the buyer needs to put together himself, and which consists of a rack of pegs on which the boots are hung upside down to allow them to dry and to keep them in a neat and orderly row. A rack for six boots, that is, three pairs, is £2.95.



Besides some basic gardening equipment like spades and hoes and hoses, the catalogue offers a Dew Notice (£1.95), a gadget that predicts overnight air frost — useful for all gardeners, even town ones. Knee pads at £2.95 the pair are another practical and sturdy idea. If all this sounds a little unromantic for you, there are small potted orange and lemon trees at £5.95 each, timed to be bearing fruit for Christmas. Write to The Country Garden, P.O. Box 54, Burton Latimer, Northants for the full catalogue.

Cast off

Not from the Country Garden but from Sylvia's of 25 Beauchamp Place, London S.W.3, is this modern copy of a Victorian bootjack. Easy Lizzie (as this copy of a Victorian circus rider has been named) is used just like a conventional boot jack — put one boot on her and use her legs to ease the other boot off. Made of cast iron with a polystyrene varnish, Easy Lizzie costs £5.95 from Sylvia's. Sylvia will post for 90p p. and p.



Rugs to riches



ABOUT four years ago now I wrote about Caroline Bosly, who had set up and established a remarkably successful and useful business as a completely independent broker in Persian and Oriental carpets. I remember then that we were still reeling from the consequences of the three-day week and there seemed no economic certainties left.

Caroline Bosly, however, impressed me at the time with her passionate interest and belief in the value of good-quality, hand-made Oriental carpets. She herself believed in their future so strongly that as fast as she made any money she used it to buy carpets for herself. Well, since then, many things have changed. The economy looks better, the pound looks steadier and the price of carpets has risen if not faster than inflation, at least too fast for those of us who wish we'd bought some then but didn't.

It is becoming harder and harder to find good rugs. Whereas four years ago Caroline could have looked through a bale (which is 50 rugs) and found about 40 of acceptable quality, nowadays she finds about 12 and she suspects that by 1980 it will probably have sunk to one. Not only has world demand for good-quality rugs increased but as the old workers in the carpet industry die they are not being replaced by younger ones.

For investment purposes she would recommend buying the sort of rug that isn't raffish, that is, not too expensive, or too large in size. Rugs under £5,000, she thinks, are still very good value. Quins, Isfahans and Herats are good investments in this price-range while for a mid-market investment (at about £1,000) there are Turkish Kulas, which are strong, hard-wearing, attractive and should appreciate.

The crucial points to be sure of when buying a good-quality rug are first to check that it is hand-made. If it isn't you may still derive a degree of pleasure from it but it will have hardly any second-hand value. If you look at the back of the rug and you can see the design clearly, it is very probably hand-made — if you can't, it is indisputably not hand-made. Secondly, buy from somebody who is established and who will be there in a couple of years' time so that if you change your colour-scheme, or the size of your house, and want to change the rug, you can go back. Always ask for some kind of long-back guarantee. Thirdly, look at the quality of the wool and see if it has come from the best kind of sheep with long and fine wool. You can check on whether a "silk" rug really is made of silk by taking a tiny thread through how you persuade the seller to let you do this is your problem and lighting a match under it. If it melts, it's silk; if it burns, it's cotton.

Cooking with Philippa Davenport



I WAS optimistic enough to think that September might bring us an Indian summer. But October is now with us, dusk creeps in earlier each day and my hopes are dashed. The fruit and vegetables of winter — root crops, brassicas, apples and pears — are already in evidence but, since several months' reliance on them lies ahead, I'm making the most of the last of the summer season crops while I can.

Sweetcorn, runner beans, courgettes and marrow are, on the whole, past their prime and best avoided I think. Watercress, salad onions, cucumbers and lettuce are still around but you need to pick and choose pretty carefully. Some prize sweet-tasting tomatoes are still to be found for stuffing and salads.

One of my favourite lunch dishes at the moment is Greek salad: sliced tomatoes with a few slices of onion, far bigger slices of cucumber, strips of feta, turmeric, dill, and crushed coriander seeds; oregano, thyme, black pepper, coarse salt and a drizzle of green-tasting olive oil.

There are tiny onions and crisp cauliflowers ideal for cooking as well as pickling; some first-class spinach and broccoli, sweet red and green peppers and lots of aniseed. Mushrooms don't seem so abundant this year as last but fresh from the fields they are unbelievably good. Mushrooms simmered in a cream well-seasoned with salt and pepper and sharpened by a squeeze of lemon juice, make a delectable vegetable.

minutes, adding a good squeeze of lemon juice and plenty of salt and pepper about ten minutes before the end of cooking time. Strain through a muslin to extract vegetables and specks of seasoning, reheat and stir in 2 oz raw button mushrooms cut into paper thin slices.

The choice of fruit is not so varied — mainly apples, pears, bananas and citrus fruit. Plums make excellent pies, dumplings and even foies, but I like them best simply oven-poached. I make a cut round each plum following the natural indentation to prevent skins bursting during cooking, sprinkle with sugar and a little ground cinnamon plus the juice and grated zest of one large orange for every 2 lb fruit.

Nut meringues
Cobis and hazelnuts are, in October, treat and I like to make miniature nut meringue biscuits to serve with poached fruit. Roast and grind 1 lb shelled hazelnuts and fold them into a meringue mixture made with 4 egg whites and 1 lb vanilla sugar. Drop in teaspoonfuls on to a baking tray lined with greaseproof, tap each blob with a whole hazelnut and cook at 300 deg. F gas mark 2 for 2 hours or until well dried out. Stored in an airtight tin these keep well for about a week.

I use hazelnuts to replace almonds for the delectable coffee layer cake in Margaret Costa's Four Seasons Cookery Book — they are cheaper than almonds and give the same beautifully moist texture.

Mushroom soup
For an equally good but not so fattening Chinese mushroom soup with plenty of bay leaf and garlic and a clove of garlic. Sauté and onion (complete with skin) in one tablespoon oil. Sprinkle on 3 teaspoon sugar and allow to caramelize slightly. Add 4 oz dried mushrooms (previously soaked in 1 pint but water) and their liquor. Chop up fresh mushrooms (the sliced, flat type have best flavour), six crushed coriander seeds, 1 teaspoon dried marjoram, a couple of thin strips of lemon rind and 11/2 pints light chicken stock. Cover and simmer for 45

chicken Kiev. I use a herb butter. Cream 1 lb butter, blend in 1/2 teaspoon lemon juice, 2 teaspoons each finely chopped fresh tarragon and parsley, 1 teaspoon cloves and plenty of salt and pepper, shape into an oblong, wrap damp hands, wrap in wax greaseproof and chill until solid.

Meanwhile prepare the chicken — you will need the breasts of two 3 1/2 lb chickens to serve four. Pull the legs away from the body of the chicken and cut them off. Cut down the centre of the breast, working towards the neck end, completely peel back the breast skin and ease out the wishbone, wrap the knife between breast bone and flesh and gently cut the meat away from the bone, taking the knife over the rib cage right down to the point where the wing joins the body. Cut through the wing joint so that the wing is still attached to the breast meat. Then cut off the wing pinion, so that only the main wing bone is now attached to the breast meat, and scrape back the flesh from the bone. Separate the loosely attached pieces of breast meat. Place both pieces between sheets of greaseproof and carefully beat flat. Cut 1/2 oz stick chilled herb butter, lay it down the centre of the larger piece of meat, cover with the fillet and fold the breast meat over to make a neat elongated parcel.

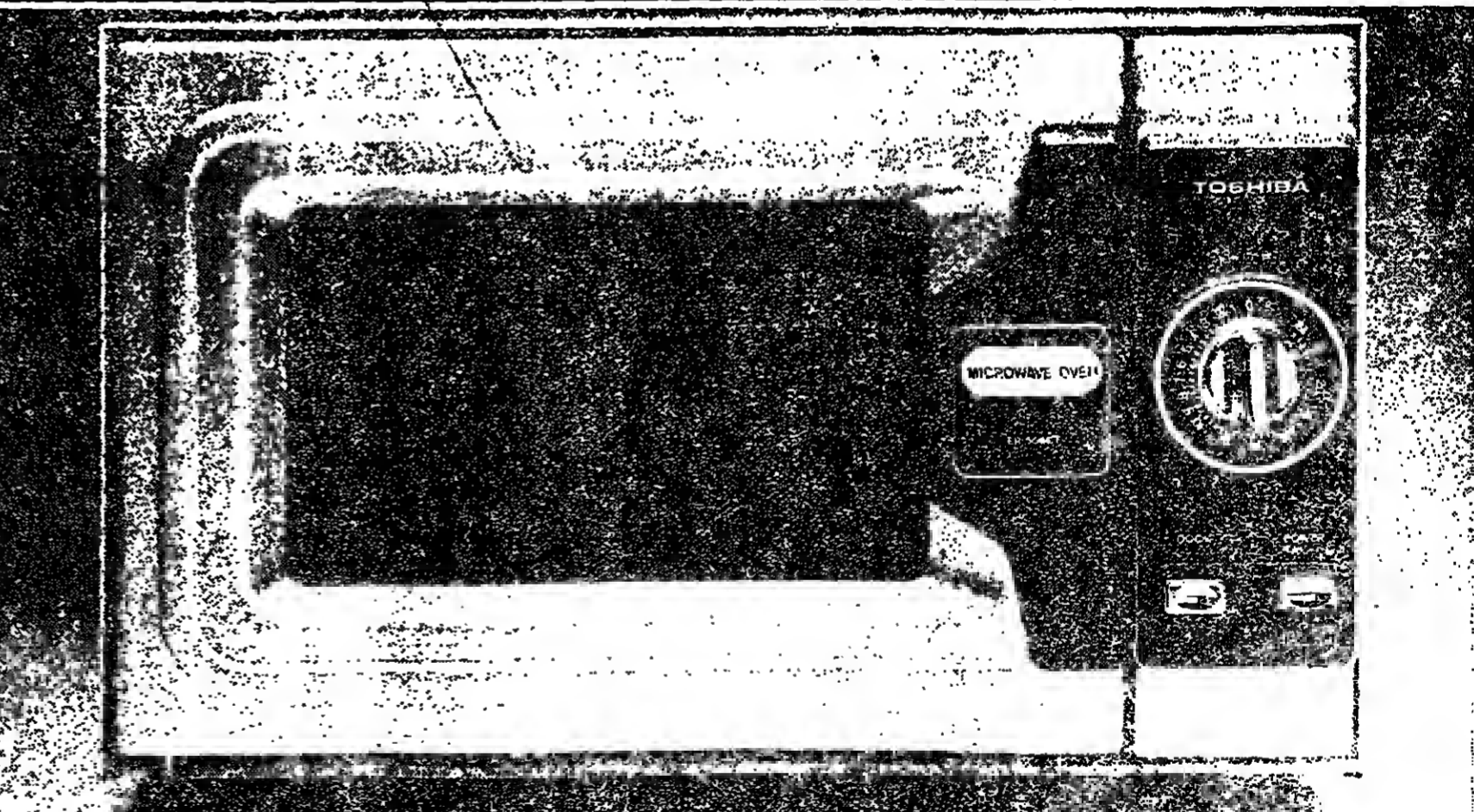
Prepare the three other "parcels" in the same way. Dust each with well seasoned flour, moisten with lightly beaten egg and coat generously with fresh breadcrumbs — you will need about 6 ounces — and refrigerate for at least two hours. Deep fry for 10-15 minutes depending on size; cook two pieces at a time so that they don't touch each other. Lower heat if browning too fast. Drain well and decorate with ouflet frills to serve.

Lemon chicken
Chicken breasts, lemon and tarragon are combined again in this delicious recipe sent to me by a reader in Hong Kong. Again you will need the breasts of two 3 1/2 lb chickens to serve four. Skin, bone and cut the raw meat into slivers. Cream together 4 teaspoons each cornflour and sherry, blend in a lightly beaten egg, 2 teaspoons caster sugar and 1 teaspoon salt. Toss the chicken in this mixture and leave to marinate for 2 hours turning occasionally. Meanwhile prepare the sauce by creaming 1/2 teaspoon cornflour and 1 teaspoon water. Blend in the juice and zest of two small lemons, 1 dried beaten egg, 1 teaspoon dried tarragon, a little salt and a scant 1/2 pint chicken stock.

When ready to cook, drain the chicken well adding excess marinade to the sauce mixture. Coat the chicken with a dusting of cornflour and fry, stirring and turning, in 2 tablespoons hot sesame oil.

Remove the chicken from the pan, add another 1-2 tablespoons sesame oil, pour on the sauce mixture and cook gently, stirring, until thickened. Return the chicken and continue cooking and stirring until well coated and very hot.

- Suggested menus**
- Greek salad
 - Chicken à la Kiev with broccoli
 - Coffee layer cake
 - Chinese mushroom soup
 - Hong Kong lemon chicken with steamed spinach or fried noodles
 - Compte of plums with nut meringue biscuits



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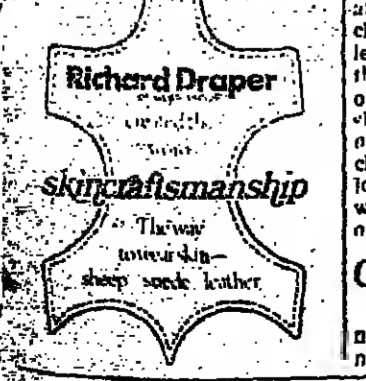
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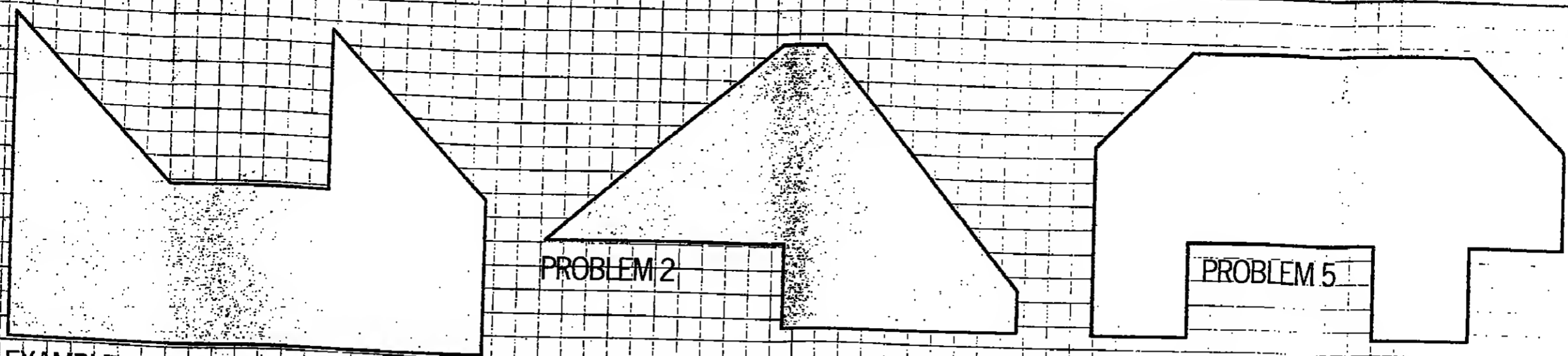
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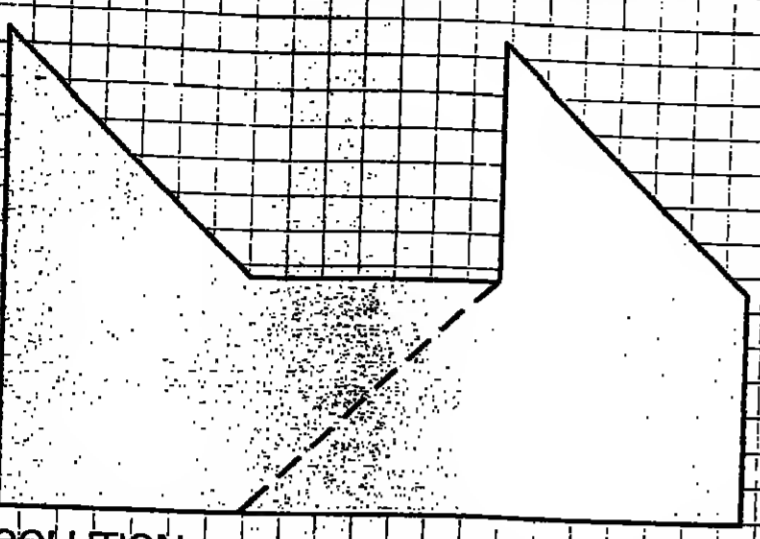


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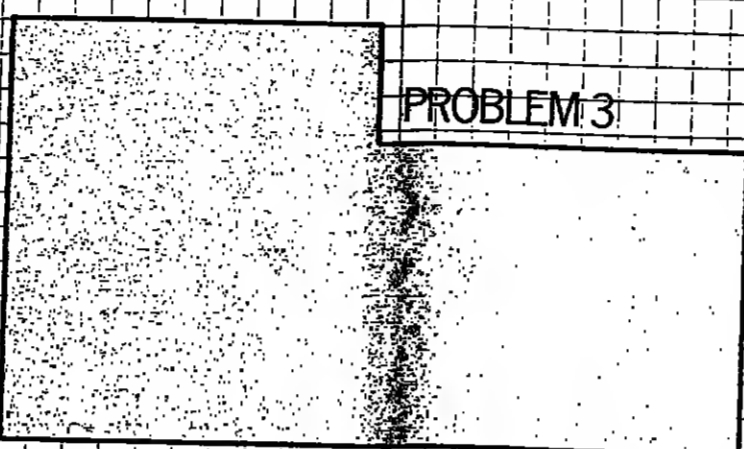
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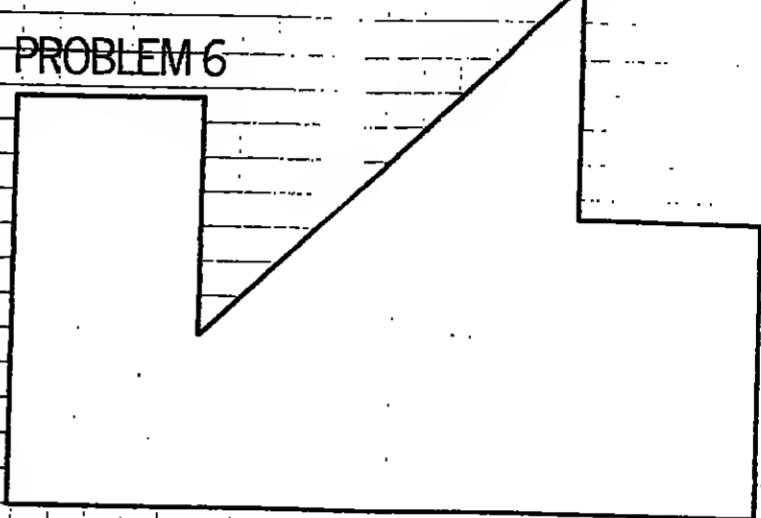
SOLUTION

PROBLEM 2

PROBLEM 5



PROBLEM 3



PROBLEM 6

PROBLEM 1

PROBLEM 4

PROBLEM 7

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EDWARD DE BONO IS THE AUTHOR OF 'LATERAL THINKING FOR MANAGEMENT'

Home heating

More than ever before the U.K. consumer is price-conscious when it comes to central heating. Insulation, efficiency and long-term fuel prospects are all part of the purchasing dilemma.

Winter warm-up

BY MICHAEL CASSELL

THE SEASON of falling temperatures and rising heating bills is upon us. Surprisingly but surely the nights draw in, the first frosts arrive and the home, for the next few months, is expected to become a haven of warmth and comfort.

No-one needs reminding of just how much more expensive these home comforts have become since the crisis of 1973, when oil prices shot up and the conservation of all forms of energy became the major world priority.

The present cost of keeping a home warm, whichever form of fuel is used, could not have been contemplated four short years ago and it is no longer merely a matter of which is the cheapest and most convenient system available; there is something of a genuine moral as well as a financial obligation on the part of individuals as well as governments to ensure the maximum degree of efficiency in order to produce the minimum amount of wastage.

In one respect, the consumer

is fortunate. He has a range of alternative fuels and heating systems which may be diverse enough to be confusing but within which the needs of most people can be met.

The principle choices lie between gas, electricity, oil and solid fuels and the purchasers of each will find the potential purchaser with a catalogue of facts and figures intended to demonstrate that their product works out to be the cheapest, most economical, efficient, clean, warm-giving alternative on the market. Suffice it to say that they all have their strong points, as well as their disadvantages and the consumer has to give a little bit of thought to his own requirements, so that they can be matched to a suitable heating system.

A few general tips to begin with: if you require heat for only an hour or two at a time it may well not be worth your while installing an expensive system, and during the autumn and spring in particular a gas

or electric fire, for example, may prove cheaper than a central heating system which will rarely be used.

If you are basically using your central heating system only in the mornings and evenings there are distinct advantages in systems with a high degree of control. Time switches and programmers can prove worth their weight in gold and may even pay you to fit further controls such as hot water tank or radiator thermostats.

If you are considering changing heating systems, don't forget to take account not only of the running costs of each fuel but also of the installed cost and hire purchase or finance house charges. It will usually take quite a few years to recover these costs through lower bills but, on the other hand, a system with lower running costs can increase the sale value of your house.

On the question of purchase and installation, costs vary depending on how much work is required and where you happen to live. The cost and availability of HP and loan finance also varies, so shop around and get firm estimates before you make any decision. If you are in the market for a completely new system, consult a qualified heating engineer and check that he is a member of a registered trade association or is approved by the fuel industry concerned.

BUYER'S GUIDE

The benefits of electric heating in the home form the crux of a new campaign just launched by the Electricity Council. The Council, will heaters, among other things attempt to clear up many of the misconceptions about electric home heating.

Off-peak tariffs are apparently here to stay and there is, the Council emphasises, no truth in any suggestion that they will be phased out. Substantial savings with the use of night-rate electric power will remain, if only because the system enables power stations to work around the clock and operate more efficiently.

Clearly worried about the prospects of customers changing over to other systems, the Electricity Council tells anyone contemplating the change to forget it, because it claims the householder is unlikely to achieve an economic return on his investment. If only a part of the money a customer would have spent on a new system is spent, the Council claims, on thermal insulation, immediate cost savings are possible.

Electricity's campaign will centre largely on the benefits of storage radiators, first introduced in 1962 and the most popular form of electric central heating. Over 4m. have been installed. Their popularity stems from the low outlay for installation and the ease with which further radiators can later be added. There is no denying, however, that storage heaters are bulky and are really best suited to providing background warmth rather than a heat source that people could sit by, despite the fact that most now incorporate some form of control which releases additional heat at set times during the day.

The Electricity Council says that for the householder without any central heating who wants to improve comfort in his home at minimum initial cost, a package comprising two storage radiators, plus a programme of thermal insulation, is likely to cost under £400, a saving of

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The loss that goes unseen

THE STING may well have gone out of the "Save It" campaign launched by the Government back in the dark days of the oil crisis, when the shop lights went out and queues for petrol were all the rage. But there is no reason why the same principles of conservation and careful use of expensive fuels should not apply to-day, particularly in the home where we have to foot the bill.

For, without careful thought, a great deal more than coal can go up in smoke. The experts tell us that in a typical home, 25 per cent of heat is lost through the roof, 35 per cent seeps out through the walls, another 10 per cent. makes for the windows and the rest gets swept away in draughts or burrows through the floorboards into the ground. All the heat, of course, eventually disappears one way or another and it's simply a matter of hanging on to it as long as we can—unless you really do wish to keep the pigeons' feet warm.

Insulation is the answer and while the subject may strike most householders with just about as much enthusiasm as work on a Monday morning, the potential cash savings might help stimulate some interest.

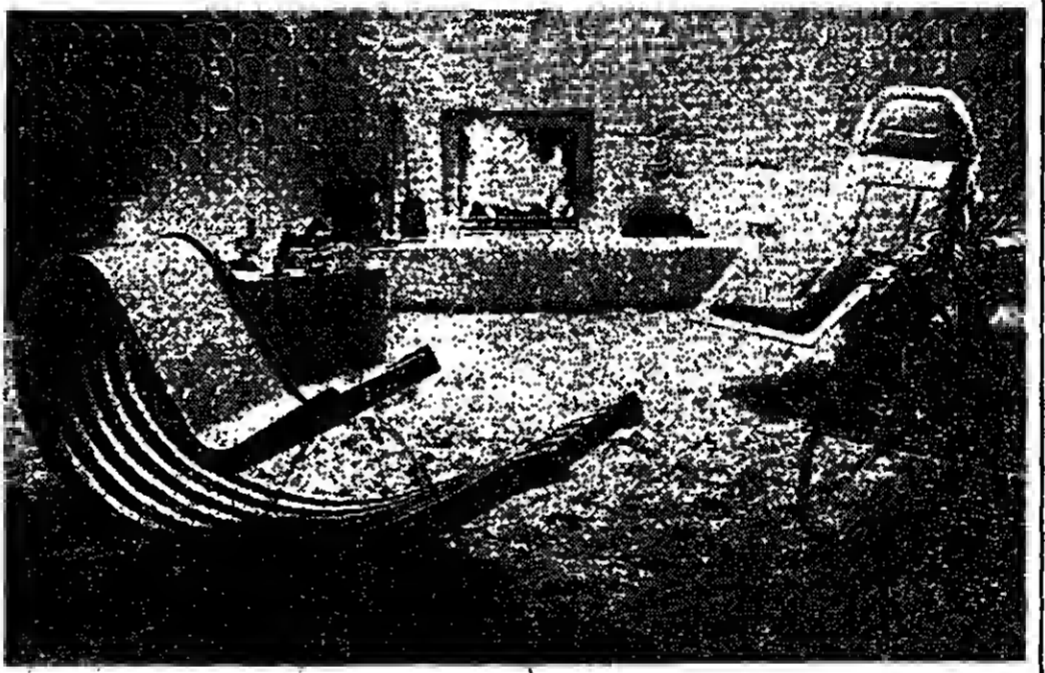
Compare the cost of insulation with the amount of money you are now spending on heating. You only have to spend money on insulation once but you will save money on every heating bill from then on.

And don't forget that when you open those bills you will in any case be entitled to a warm glow, not only because they will be smaller than in the past but because you can hold your head up high and say that you are doing your little bit to help the nation. The fact is that about 70 per cent of the energy supplied to the U.K.'s 12m. homes is used for space heating, whatever fuel is used, equivalent to nearly 68m. tonnes of coal each year or about 30 per cent of the total energy used in this country. The scope for savings on a large scale through individual effort is clearly enormous.

The trouble appears to be convincing people to lay out good money on rolls of this and sheets of that to fit in here and squeeze under there, none of which seems to bring any direct return. It certainly takes an act of faith to invest funds on laying insulating material in the roof, for example, where it will never be seen unless someone goes for Grandma's trunk. And how can you really be sure that it will, in the long run, save you money?

Well, again the experts say that for a modest outlay—as low as £35 for materials to do a three-bedroomed, semi-detached house—the householder can cover his loft and recoup the cost within two years.

But if you are going to insulate the roof space make sure you do it properly and put down at least a three inch layer of material. Mineral fibre insulation comes in rolls and



works rather like an elderdown, trapping the air to provide a heat barrier. Other methods of roof insulation include expanded polystyrene impregnated fibre insulation board (if you can remember its name), rigid polyurethane and expanded, laminated plasterboard. These materials are actually fixed to the rafters but they should be installed by experts whereas fibrous materials can easily be laid by the occupier.

Next, the walls, through which most of that expensive heat disappears. The main purpose of cavity walls is to prevent rain penetrating to the inner leaf or wall, but heat losses through them can be cut considerably by filling the gap with special insulating materials. It's expensive and has to be done professionally and you must also get permission from your local council before work goes ahead. Many installers give guarantees of up to 30 years on their work.

The installation involves the pumping of the cavity of either a foam resin or mineral fibre. Holes are drilled in the brickwork at regular intervals through which the material is pumped.

Highly efficient heat barrier and, if expertly carried out, it is unlikely that any moisture could invade from the outer leaf. The work takes about a day to complete and costs from around £180 upwards.

Existing properties with solid walls can also be insulated but not quite so easily. Lining the walls with an insulating material with a vapour barrier on the warm side prevents the penetration of warm, moist air, which otherwise condenses on the inner, cooler surface. One way of doing this is to fix batons to the wall and fill in with slabs of glass fibre, held in place by the moisture barrier material. This method is usually suitable for older homes being converted or modernised but advice is needed from a building or insulation specialist.

As for floors, insulation here is rarely given a moment's thought and most people are content to make do with a carpet and an ample underlay. For really effective insulation, however, some form of insulating material such as glass fibre should be placed below the floor surface. With suspended floors,

Megafoam Cavity Wall Insulation

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says Mr G.A. Heslop of Gloucester

Fed up with rising oil prices, Mr Heslop commissioned Rentokil to insulate his house during the autumn of 1974. Here's what he thinks of our unique dry fibre material:

"I'm saving approximately 25% per year on quantity of oil purchased. With inflation the way it is, the insulation will have paid for itself in 5 years—which is even better than I expected."

Coal, electricity, gas, oil—cut your costs and increase comfort with Rentokil's dry cavity filling insulation (unique because it's dry—not foam), 30 year guarantee. No VAT, and payments can usually be tacked on to your mortgage. Rentokil have also now arranged with a leading finance house for special low interest terms that make our insulation an even more attractive proposition. FREEPOST the coupon for details...

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Address _____

Telephone _____

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HOME NEWS

Tories plan attack on marginal seats

BY RUPERT CORNWELL, LOBBY STAFF

IN SHARP contrast to Labour and its declining internal structures, Conservative Central Office claimed yesterday that the party is in a sound financial and organisational shape to fight an election...

Magazine will examine work at local councils

FINANCIAL TIMES REPORTER

A MAGAZINE on developments they will form a part of the in local authority management formulation. The development of local government services, says Professor Thornhill...

Government pressed to take urgent energy-saving steps

BY RAY DAFTER, ENERGY CORRESPONDENT

AN IMPORTANT sector of the U.K. insulation industry, now involved in a £35m expansion programme, has called on the Government to take urgent energy-saving measures.

Carter speeds British Airways cargo plea

BY JOHN LLOYD, INDUSTRIAL STAFF

IN ANOTHER intervention in favour of British Airways, President Carter yesterday upheld an appeal by the airline against a ruling by the U.S. Civil Aeronautics Board...

Fears on PVC hazard allayed

By Our Chemicals Correspondent

THE HAZARD to workers employed in the manufacture of polyvinyl chloride (PVC) might not be as great as was first thought, says a preliminary report published yesterday by the Health and Safety Executive...

Redifon closing Welsh factory

BY CHRISTOPHER DUNN

WELSH HOPES of expanding business and labour prospects in the principality have suffered a setback with the announcement that Redifon Telecommunications is to close its new factory at Cwmbran, near Gwent...

New Ulster party wants independence

BY OUR BELFAST CORRESPONDENT

A NEW political party which will press for British withdrawal from Ulster was launched in Belfast yesterday. The Irish Independence Party has been formed by Mr. Frank McManus...

Shell and BP face £4bn. Zambia claim

BY KEVIN DONE, CHEMICALS CORRESPONDENT

SHELL and British Petroleum and 15 other companies have been sued in Zambia for a claim of £4 billion. The Zambian Government said earlier this year that it would sue the oil companies...

Reduced

There was an indication of it having arisen by swallowing minute amounts of VCM, for example, from plastic food wrappings. Urgent action was taken in the British chemical industry when the U.S. findings were published...

Irish police doctors hint at interrogation disquiet

THE CONTROVERSY over interrogation methods has been charged with a new twist when the police doctors revealed that they would meet the Chief Constable of the Royal Ulster Constabulary next week.

Pit research pinpoints work delay problem

BY OUR INDUSTRIAL STAFF

THE MAIN problem facing the coal industry is the elimination of delays in working systems, according to a report of the National Coal Board's Research and Development Establishment, published yesterday.

Date set for Callaghan's German trip

MR. JAMES CALLAGHAN, the Prime Minister, will pay an official visit to West Germany on October 18.

Tesco bets on cheaper coffee

THE TESCO supermarket chain 50p. is delaying coffee purchases to take out supplies, the chain rebuilds depleted stocks in anticipation of a substantial fall in coffee prices.

Table with columns: Year, Production ('000 cubic metres), and % change. Includes data for 1974, 1975, and 1976 for various countries like Germany, France, Italy, etc.

M&G RECOVERY FUND advertisement. Includes text about financial recovery, investment options, and contact information for M&G Group Ltd.

Small investor 'makes little use of information' article. Discusses the challenges faced by private shareholders in the UK and the impact of the Industrial Revolution on the financial market.

NEWS ANALYSIS - THE HITACHI ISSUE. The invaders: a new TV drama. Discusses the impact of Japanese television manufacturers on the UK market and the challenges faced by British companies.

HOME NEWS

Swan Hunter wins £5m. order for waste ship

SWAN HUNTER has overcome a strong foreign challenge to win a £5m. contract for its Hebburn shipyard on the Tyne to build a 3,200 tonne twin-screw vessel to carry irradiated nuclear fuel.

Ford in Stirling engine project

By David Freud, Industrial Staff

THE FORD Motor Company has signed an eight-year contract with the U.S. Energy Research and Development Administration to bring the Stirling engine to the pre-production stage of application to passenger cars.

Tarling extradition plea for Lords

THE HOUSE of Lords will be asked next week to hear appeals over the extradition to Singapore of Mr. Richard Tarling, 42, former chairman of Haw Par Brothers International.

Bulk liquid companies set up association

TWELVE British-based independent bulk liquid storage companies have formed a new organisation — the Independent Tank Storage Association — to represent their industry and provide a collective approach to subjects including safety standards, health and environmental protection.

Grunwick to sue Ministers

GRUNWICK has issued writs against the picket line outside the factory, Mrs. Shirley Williams, Education Secretary, and Mr. Denis Howell, Minister for Sport, over remarks alleged to have been made about the company while they were on Mirror.

THE LABOUR PARTY AT BRIGHTON

Demand for takeover powers

BY IVOR OWEN, PARLIAMENTARY STAFF DEMANDS THAT the National Enterprise Board should be given compulsory powers of acquisition backed by an annual budget of £1bn. were vigorously endorsed by delegates at the final day of the Labour Party conference at Brighton yesterday.

Nuclear move 'unreal'

By John Hunt, Parliamentary Correspondent

AN ATTEMPT to get Britain to abandon nuclear weapons and close its nuclear bases was shelved by the Labour Party conference yesterday after warnings that such a move would jeopardise President Carter's initiative for multilateral nuclear disarmament.

Multinational curbs sought

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE NATIONAL Executive Committee document calling for tighter control over the activities of multi-national companies in Britain was approved by the conference without a debate. The document says: "In particular cases, where necessary in the national interest, the public ownership of foreign-owned multi-national subsidiaries or branches should be considered."

Journalists protest over barred colleagues

THE LABOUR Party's decision to exclude two Westminster Press journalists from the Labour Party conference was criticised yesterday by Mr. David Harris, political correspondent of the Daily Telegraph, when he replied to the vote of thanks to members up in a closed shop dispute.

Plan for 'big nine' cities

A LIMITED restoration of a closed shop on local Government structure. Mr. John Cartwright, for the Derby, Hull and Plymouth — is no question of another massive being planned by the Government. This was confirmed in the 1972 reorganisation.

Students stop apartheid protest against Barclays

THE OPENING of Barclays Bank's international branch in Aberdeen yesterday, which was timed to coincide with the opening of a branch in Houston, went ahead despite the threat of occupation and picketing from students protesting against apartheid.

Wool chiefs seek Jay's help in tariff fight

YORKSHIRE'S wool textile industry has asked the British Ambassador in Washington, Mr. Peter Jay, to press its case against the punitive United States tariff on its wool cloth exports.

Sotheby's 1976/77 SEASON SALES. Includes various art categories: IMPRESSIONIST, MODERN AND CONTEMPORARY PAINTINGS; PRINTS; 18TH, 19TH AND 20TH CENTURY PAINTINGS; OLD MASTER PAINTINGS AND DRAWINGS; JEWELLERY; CLOCKS AND WATCHES; HOUSE SALES; FURNITURE, TAPESTRIES, RUGS AND CARPETS; SILVER AND PLATE; COINS AND MEDALS; ARMS AND ARMOUR; ANTIQUITIES; CHINESE WORKS OF ART; MISCCELLANEOUS WORKS OF ART; BOOKS AND MANUSCRIPTS; EUROPEAN PORCELAIN; JAPANESE WORKS OF ART; VINTAGE CARS; STAMPS; GENERAL ITEMS AT P&A NEW YORK; WINE.

9.3% per annum paid quarterly. ALL EQUITIES. Why all equities? Schesingers Extra Income Trust is a trustee investment and offers one of the highest returns currently available from a unit trust invested only in ordinary shares.

Quarterly dividends. The table shows the minimum level of income (net of 34% basic rate tax) you would expect to receive every 3 months based on the historic payment. This level of income is expected to increase in the future based on the current estimated gross yield of 9.3% on the fixed offer price of 31.1p.

closing factory... r part pender... return in disc... Iran...

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3BY
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Telephone: 01-248 2000

Saturday October 8 1977

Markets and sterling

AFTER THEIR hectic activity of the previous weeks, both gilt-edged and equity markets fell quiet on profit-taking and the onset of the Labour Party conference. But the underlying influences at work remain unchanged and the undertone in both markets is firm.

Limited scope

This was spelt out once again by Mr. Healey on the first day of the conference. He claimed that the corner had now been turned and that living standards would now begin to rise again as the rate of inflation fell.

Pay target

His caution is supported by the few economic indicators to be issued during the week. The Price Commission, it is true, which compiles a forward-looking price index based on advance notifications made to it, has announced that inflation will be an annual rate of increase of only 7.5 per cent during the six months to September, a sharp fall; but this is partly due to the fact that many firms increased prices as far as they could under the old system of control before the new came into operation.

Letters to the Editor

Tinkering

From Mr. A. Horsnail. Sir—Your leader Problems of Success (October 11), if reconsidered on a world scale, goes a long way to explaining the differences between the points of view of bankers and businessmen at the present time.

Fuses

From Mr. J. Brockbank. Sir—I was interested to see Mr. Fallon's letter (September 28) with its implied support for the principle of fitting appropriately rated fuses in 13 amp plugs according to the appliance served.

Workhorses

From Mr. B. Clancy. Sir—I note that the writers and policy makers do not take into account an important factor, which I suggest, merits major consideration, when discussing retirement on the grounds of age, that is, the distinction which should be made between biological and chronological age.

The return of the old airport saga

BY MICHAEL DONNE, Aerospace Correspondent

THE unfinished saga of what to do about the growing volume of air traffic moving into and out of London and the South-East of England has been given a new twist as a result of the Government's decision to block plans by the British Airports Authority to go ahead with a fourth passenger terminal at Heathrow Airport.

The decision may well mean at least another two years' delay in settling finally whether or not such a terminal should be built, with the inevitable worsening of congestion at the airport. The BAA applies last week to the local authorities of Hillingdon, Spelthorne and Hounslow for the necessary planning permission for the terminal.

Gilt outlook

What Mr. Callaghan, in particular, does not always recognise however, is that the 10 per cent increase in earnings at which ministers should be aiming is an average: some firms will pay more, some less than the eventual average, and it is damaging to imply that if one large firm pays more the policy will be undermined. It is much more important to maintain firm overall limits in the monetary and public spending fields while reminding negotiators on both sides of industry of what they knew very well before their instincts were blunted by official controls, that the capacity of an individual firm to pay more must be governed by its individual circumstances.

Public inquiry delay

It remains to be seen whether the decision of Mr. Peter Shore, Secretary for the Environment, to "call in" the BAA's planning application and hold a public inquiry will cause any delays to the evolution and publication of the overall airports strategy document.

Letters to the Editor

Tinkering

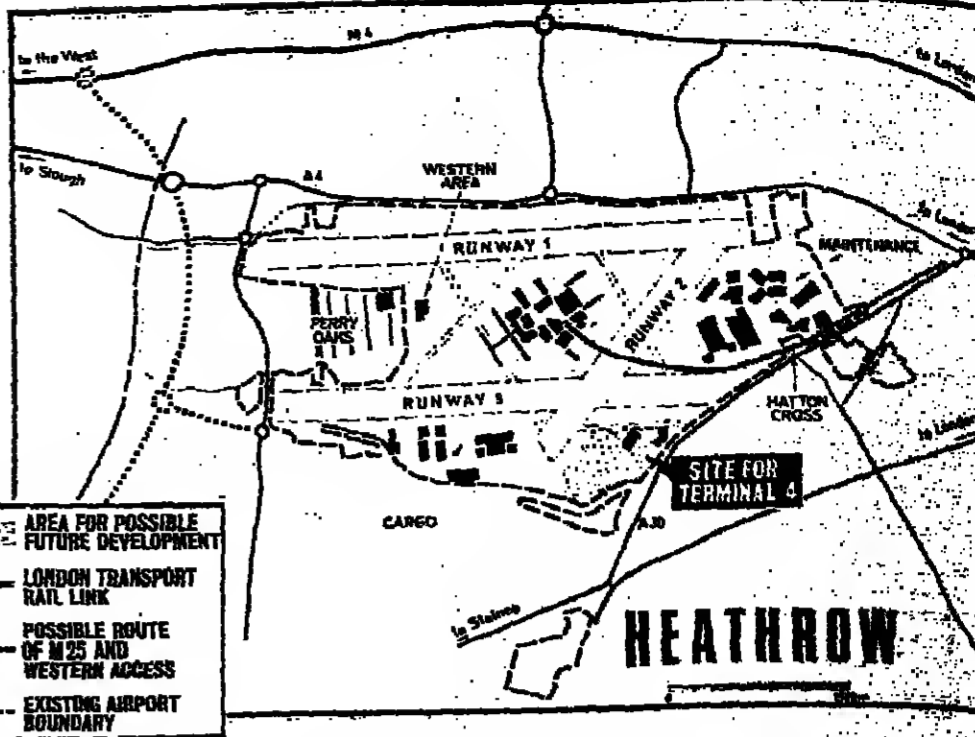
in a better position to help next year. A. G. Horsnail. (Economic Adviser, Burgo End Co., 25, Worslip Street, E.C.2.

Stimulus

From Mr. R. Anstey. Sir—Samuel Brittan's admirable article (September 29) told us how not to stimulate demand, but how to do so. The productive capacity both in available people and plant is waiting for the right sort of stimulus to the industrial countries.

Wastages

From Mr. A. Stobart. Sir—Has any shareholder's meeting ever queried whether a company is making full and effective use of the money it is paying out to its employees?



unilaterally by the U.K., in view of the international nature of the traffic (over half of it at Heathrow originates from abroad). Also, many believe that to try to restrict air traffic in any way would be to relegate the U.K. to the status of an economic backwater, so great a pain in economic life does aviation now play.

Problems pushed aside

But cancelling Maplin did not remove any of the problems that airport was intended to solve: it merely pushed them aside (including the economic regeneration of South-East Essex). Now they are back in full measure, with dramatic new growth of air traffic to be taken into account.

Spelthorne's last stand

BY DAVID FREUD

ENVIRONMENTALISTS in whose territory the proposed new terminal will fall, seek historical analogies for their predicament in the persons of King Canute and General Custer.

Stanwell, Sunbury (all of which are part of Spelthorne), the dogfight over environmental quality seems endless—with Concorde, the M25 and the fourth terminal seen as the latest manifestations of the battle. They intend to try to get some limits set to the environmental disruption that they believe a fourth terminal would cause, even if they fail to prevent it entirely.

Letters to the Editor

Tinkering

self-employed and that a "self-satisfying" approach has been adopted by them. This is inevitable, for though there have been the "errors" such as ITCF, the "eas" has been made very stubborn by the long term effects embodied in the "stick" of capital transfer tax. How can any long term capital base be established in such circumstances?

Referendum

From the Prospective Liberal Parliamentary Candidate, (Ilkerton-Derbyshire). Sir—Mr. Verber's point in your issue of October 3 can very quickly be answered.

Energy

From Mr. D. Streeton. Sir—Thank you for publishing my letter on September 30. I would, however, mention that the specific cost of a coal-fired station is 25 per cent that of a nuclear station should read from a typing error which I overlooked. Derrick Streeton, 39, Leasway, Westcliff-on-Sea, Essex.

Advertisement for Patek Philippe watches, featuring a Golden Ellipse watch and text describing its features and availability.

Handwritten signature or scribble at the bottom of the page.

WALL STREET + OVERSEAS MARKETS LAST PRICES

Early firmness lacks support

BY OUR WALL STREET CORRESPONDENT EARLY FIRMINESS failed to hold on Wall Street today, and the market turned fractionally lower after opening through support...

THE AMERICAN SE Market Value Index was up 0.13 to 118.61, reducing its loss on the week to 0.27.

OTHER MARKETS

Canada steady

Canadian Stock Markets were generally steady in moderate trading yesterday morning. The Toronto Composite Index held unchanged at 897.1...

THURSDAY'S ACTIVE STOCKS

Table listing active stocks with columns for Stock, Change, and Price.

Indices

NEW YORK - DOW JONES

Table showing Dow Jones indices for various sectors like Industrial, Transport, Utilities, etc.

STANDARD AND POORS

Table showing Standard and Poors indices for various sectors.

F.T. CROSSWORD PUZZLE No. 3487

Crossword puzzle grid with clues for Across and Down.

OVERSEAS SHARE INFORMATION

Large table of overseas share information with columns for Stock, Price, and Change.

RACING BY DOMINIC WIGAN

Piggott may carry the flag to victory

LESTER PIGGOTT, for whom that fine filly Durtal was a big disappointment at Ascot yesterday, could produce a profit for next Thursday's market...

GERMANY + PARIS AUSTRALIA TOKYO

Table of exchange rates for Germany, Paris, Australia, and Tokyo.

BRUSSELS/LUXEMBOURG STOCKHOLM

Table of exchange rates for Brussels/Luxembourg and Stockholm.

SWITZERLAND MILAN COPENHAGEN

Table of exchange rates for Switzerland, Milan, and Copenhagen.

OSLO

Table of exchange rates for Oslo.

SOLUTION TO PUZZLE No. 3486

Solution to crossword puzzle No. 3486.

COCKSURE OMEGA

Table of cocksure odds for Omega.

DOWN

Table of down odds for various events.

SOLUTION AND WINNERS OF PUZZLE No. 3481

Solution and winners of puzzle No. 3481, listing names and prizes.

COCKSURE OMEGA

Table of cocksure odds for Omega.

DOWN

Table of down odds for various events.

SOLUTION AND WINNERS OF PUZZLE No. 3481

Solution and winners of puzzle No. 3481, listing names and prizes.

Banking consortium changes hands

By Michael Standen
WESTERN American Bank (Europe), one of the earliest and largest of the London-based international consortium banking groups, is being reorganised...

Arab interests taking 16% stake in Ballast-Nedam

BY MICHAEL VAN OS
A GROUP of Middle Eastern investors is taking a stake worth about \$125 million in a major Dutch construction company...

BY JOSEPH MANN

A WORLD Bank official told the Financial Times conference on Latin American growth yesterday that the region should demonstrate long-term growth of about 6 to 7 per cent...

Doing better

"We are not going to see a major boom in the next 3,000 years or so," said Mr. Robin Pringle, editor of the Banker...

Dunlop Australia holds profits

FINANCIAL TIMES REPORTER
HAVING recovered sharply in the previous 12 months, Dunlop Australia could only manage to hold pre-tax profits in the year ended last June...

Latin American Banking CONFERENCE

State-run oil industry and supplies the Government with almost all the resources used in the ambitious development scheme...

DID YOU STAG SOUTH CROFTY?

If you had been a follower of the INVESTORS REVIEW MIDWEEK MARKET LETTER, you wouldn't have needed to bother...

INVESTORS REVIEW

This week see the first anniversary of INVESTORS REVIEW's Commodity Portfolio...

The First Viking Commodity Trusts
Commodity OFFER 39.1 BID 37.1
YIELD 10.4%
Option Trust BID 99.0 YIELD 4.1%

Liggett's \$30m. provision

LIGGETT, the tobacco and cigarette company, is to make a major charge against its earnings for the third quarter of 1977...

Infusions

International financial institutions and private lenders will provide Latin America with a new infusion of capital...

Students

At the same time, the Government was funding studies for thousands of Venezuelan students in foreign universities...

COMMODITIES/Review of the week U.S. stockpile policy move

NEWS THAT an announcement on U.S. stockpile policy was imminent brought a sharp rally in copper and rubber markets yesterday...

MARKET REPORTS

BASE METALS
COPPER—Recovered after a brief morning on the London Metal Exchange...

U.S. Markets

Cocoa—Ghana and Bahia spots market...
NEW YORK, Oct. 6.
Cocoa—Ghana and Bahia spots market...

WEEKLY PRICE CHANGES

Table with columns for Commodity, Price, % change, High, Low. Includes Wheat, Soybeans, Corn, etc.

GRAINS

Table with columns for Commodity, Price, % change, High, Low. Includes Wheat, Corn, Soybeans, etc.

MEAT/VEGETABLES

Table with columns for Commodity, Price, % change, High, Low. Includes Beef, Pork, Lamb, etc.

This week's SE dealings

Friday, October 7 5.27 Tuesday, October 10 5.33 Monday, October 9 4.72 Thursday, October 6 4.43 Wednesday, October 8 6.34 Friday, October 3 4.57

The list below records all yesterday's dealings and also the latest market prices for the week of any shares not dealt in yesterday. The latter can be distinguished by the word (market) in parentheses.

Table of British Funds (1,088) with columns for fund name, price, and change.

APPOINTMENTS Two new directors for Dowty Group

Mr. M. H. Speece, managing director of the industrial division... Mr. Peter Down, managing director of ATCOST GROUP... Mr. R. M. Denny has been appointed chairman of REDFON COMPUTERS...

Table of Foreign Stocks (4) listing various international equities.

AT BANK STOCK (1) FREE OF STAMP DUTY

Table of AT Bank Stock (1) with columns for stock name and price.

CORP. & COUNTY - U.K. (15) FREE OF STAMP DUTY

Table of Corp. & County - U.K. (15) with columns for company name and price.

SHORT DATED BONDS FREE OF STAMP DUTY

Table of Short Dated Bonds with columns for bond name and price.

PUBLIC BONDS - U.K. (12) FREE OF STAMP DUTY

Table of Public Bonds - U.K. (12) with columns for bond name and price.

CWLTB, GVT. & PROV. (7) REGISTERED AND INSCRIBED STOCKS

Table of CWLTB, GVT. & PROV. (7) with columns for stock name and price.

CWLTB CORPNS. (1) FOREIGN STOCKS (4)

Table of CWLTB Corpns. (1) and Foreign Stocks (4) with columns for stock name and price.

COUPONS PAYABLE IN LONDON

Table of Coupons Payable in London with columns for coupon name and amount.

F.T. ACTUARIES SHARE INDICES QUARTERLY VALUATION

The market capitalisation of the sub-sections of the F.T. Actuaries share indices as at Sept. 30, 1977, expressed below in millions of pounds and as a percentage of the All-Share Index.

Large table showing quarterly valuations for various equity groups and sub-sections, including Financial Group, Consumer Goods, and Industrial Group.

Extensive table of financial data, including company names, prices, and market movements, organized in multiple columns.

FINANCE FOR INDUSTRY TERM DEPOSITS Deposits of £1,000-£25,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received no later than 31.10.77.

Table of stock prices and market data, including sections for 'W-X-Y-Z' and 'LOCAL AUTHORITY BOND TABLE'.

Table of stock prices and market data, including sections for 'GAS (1)', 'INSURANCE (163)', and 'INVEST TRUSTS (254)'.

Table of stock prices and market data, including sections for 'PROPERTY (200)', 'SPECIAL LIST', and 'OCTOBER 1 (1)'.

Table of stock prices and market data, including sections for 'RULE 163 (2) (a)', 'OCTOBER 2 (1)', and 'OCTOBER 3 (1)'.

Table of stock prices and market data, including sections for 'LOCAL AUTHORITY BOND TABLE' and 'BUILDING SOCIETY RATES'.

Table of stock prices and market data, including sections for 'GAS (1)', 'INSURANCE (163)', and 'INVEST TRUSTS (254)'.

Table of stock prices and market data, including sections for 'PROPERTY (200)', 'SPECIAL LIST', and 'OCTOBER 1 (1)'.

Table of stock prices and market data, including sections for 'RULE 163 (2) (a)', 'OCTOBER 2 (1)', and 'OCTOBER 3 (1)'.

MONEY EXCHANGES

Minimum Lending Rate 5 1/2%

Bank of England Minimum Lending Rate 5 1/2 per cent. (since October 7, 1977). The Treasury bill rate fell by 0.0825 per cent to 4.750 per cent.

Table of exchange rates for various currencies, including Sterling, Swiss Franc, and others.

EXCHANGES AND BULLION

Sterling was slightly weaker in the foreign exchange market yesterday. It touched a best level of \$1.7606-17610 against the dollar.

EURO-CURRENCY INTEREST RATES

Table of Euro-currency interest rates for various currencies and terms.

EXCHANGE CROSS-RATES

Table of exchange cross-rates between various currencies.

U.K. CONVERTIBLE STOCKS 7/10/77

Table of U.K. convertible stocks with columns for Name and description, Size, Current price, Conversion dates, and Yield.

LOCAL AUTHORITY BOND TABLE

Table of local authority bond rates, including columns for Authority, Annual interest, and Maturity.

BUILDING SOCIETY RATES

Table of building society rates, including columns for Society Name, Deposit Rate, and Term.

IRON, COAL & STEEL (14)

Table of iron, coal, and steel prices.

AUSTRALIAN (9)

Table of Australian market data.

RHODESIA & E. AFRICA (7)

Table of Rhodesia and East Africa market data.

SOUTH AFRICAN (10)

Table of South African market data.

GOLD MARKET

Table of gold market prices.

CURRENCY RATES

Table of currency rates for various countries.

WEST AFRICAN (6)

Table of West African market data.

DIAMOND (6)

Table of diamond market data.

OIL (211)

Table of oil market data.

FOREIGN EXCHANGES

Table of foreign exchange rates.

OTHER CURRENCIES

Table of other currency rates.

FORWARD RATES

Table of forward rates for various currencies.

STATISTICS PROVIDED BY DATA STRAEM INTERNATIONAL

Table of statistics provided by Data Straem International.

كلانا في الأناضول

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of Authorised Unit Trusts listing various funds such as Abbey Unit Tr. Mgrs. Ltd., Brown Shipley & Co. Ltd., and others with their respective assets and performance metrics.

Table of Offshore and Overseas Funds listing international investment vehicles like Arbutnot Securities (I.L.) Limited, Australian Selection Fund, and others.

INSURANCE, PROPERTY, BONDS

Table of Insurance, Property, and Bonds listing various financial products and services from companies like Abbey Life Assurance Co. Ltd., Equity & Law Life Ass. Co. Ltd., and others.

Advertisement for Lawson High Yield Fund, featuring a large graphic of a hand holding a coin and text describing the fund's performance and investment strategy.

NOTES section containing various financial notes and updates regarding market conditions and fund performance.

FT SHARE INFORMATION SERVICE

Oldham for industrial development Phone Shaw 44411

BRITISH FUNDS

Table of British Funds with columns for Name, Price, and Dividend.

Shorts (Lives up to Five Years)

Table of Short-term investments with columns for Name, Price, and Dividend.

Five to Fifteen Years

Table of Medium-term investments with columns for Name, Price, and Dividend.

Over Fifteen Years

Table of Long-term investments with columns for Name, Price, and Dividend.

Updated

Table of Updated investments with columns for Name, Price, and Dividend.

INTERNATIONAL BANK

Table of International Bank investments with columns for Name, Price, and Dividend.

CORPORATION LOANS

Table of Corporation Loans with columns for Name, Price, and Dividend.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Name, Price, and Dividend.

LOANS (Miscel.)

Table of Miscellaneous Loans with columns for Name, Price, and Dividend.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Name, Price, and Dividend.

AMERICANS

Table of American stocks with columns for Name, Price, and Dividend.

AMERICANS-Continued

Continuation of American stocks table.

CANADIANS

Table of Canadian stocks with columns for Name, Price, and Dividend.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase investments with columns for Name, Price, and Dividend.

FINANCE

Table of Finance investments with columns for Name, Price, and Dividend.

Hire Purchase, etc.

Table of Hire Purchase, etc. investments with columns for Name, Price, and Dividend.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits investments with columns for Name, Price, and Dividend.

AMERICANS

Table of American stocks with columns for Name, Price, and Dividend.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads investments with columns for Name, Price, and Dividend.

BUILDING INDUSTRY-Cont.

Continuation of Building Industry table.

DRAPERY AND STORES-Cont.

Continuation of Drapery and Stores table.

ELECTRICAL AND RADIO

Table of Electrical and Radio investments with columns for Name, Price, and Dividend.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics investments with columns for Name, Price, and Dividend.

CINEMAS, THEATRES AND TV

Table of Cinemas, Theatres and TV investments with columns for Name, Price, and Dividend.

DRAPERY AND STORES

Table of Drapery and Stores investments with columns for Name, Price, and Dividend.

DRAPERY AND STORES-Cont.

Continuation of Drapery and Stores table.

ELECTRICAL AND RADIO

Table of Electrical and Radio investments with columns for Name, Price, and Dividend.

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DRAPERY AND STORES

Table of Drapery and Stores investments with columns for Name, Price, and Dividend.

ENGINEERING-Continued

Continuation of Engineering table.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools investments with columns for Name, Price, and Dividend.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc. investments with columns for Name, Price, and Dividend.

AMERICANS

Table of American stocks with columns for Name, Price, and Dividend.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads investments with columns for Name, Price, and Dividend.

HOTELS-Continued

Continuation of Hotels table.

INDUSTRIALS (Miscel.)

Table of Industrial (Miscellaneous) investments with columns for Name, Price, and Dividend.

HOTELS AND CATERERS

Table of Hotels and Caterers investments with columns for Name, Price, and Dividend.

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MAN OF THE WEEK

When the boat comes in to order

BY COLIN JONES

TO-DAY MICHAEL CASEY, the 49-year-old chief executive and deputy chairman of British Shipbuilders, is on his way to Rio de Janeiro to meet the world's leading shipowners...



Michael Casey Imperative to find more business

This schedule is not untypical of how this energetic and convivial former civil servant has spent his time since he was suddenly pitched into the job of running Britain's latest State industry last February.

As the only executive on the Board he has had to have a hand in everything. The corporation is being run as a holding company with each operating company retaining its separate identity.

He has no illusions about what this means. A grammar school boy from N. Wales, he took a law degree at LSE after two years in the RAF and then had stints in the Departments of Agriculture, Science, Technology, and the DEA before taking over the DTT's shipbuilding division...



Cortes to act on amnesty for Basque militants

BY DIANA SMITH

A BILL to provide total amnesty for Basque militants, and also free most other prisoners held in Spain for politically motivated crimes, was agreed early this morning by a joint Cortes committee of the ruling Union of the Democratic Centre and opposition parties.

Amnesty for the region is that first mass wave of claims and strikes hit Spain. The Bill provides a total amnesty for all politically motivated acts committed before December 15 last year...

It is expected, however, that those responsible for the murder of Left-wing lawyers in Madrid last January, several people who have been arrested in connection with this crime and members of the group known as GRAPO, involved in two kidnappings last spring, will not be amnestied.

The measure has been strongly resisted by business management because of the financial and administrative burdens it will involve. Trade unions, newly legalised, support it, and until now the government has been reluctant to implement it.

Panel says Ultra deals breached takeover code

BY NICHOLAS COLCHESTER

MR. P. D. BROWN, a director of Portfolio Management investment managers, deserved "severe censure" for insider trading in the shares of Ultra Electronics Holdings, the Panel on Takeovers and Mergers said yesterday.

The panel reached its conclusion after hearing evidence about telephone conversations that took place on the morning of February 17 between Rowe Rudd, Mr. Brown and other major shareholders in Ultra.

The panel claims that, knowing about Racial's impending bid, he bought 10,000 shares in his own account. This was, and still is, disputed by Mr. Brown.

Mr. Brown appealed to the panel's appeal committee against the findings and their publication. To decide to publish, the appeal committee noted yesterday Mr. Brown's assertion that the net gain had already been paid to his solicitors for transfer to a charity.

According to the panel, the Racial chairman, Mr. Bernard Harrison, asked Mr. Gerald Kelly, of Rowe Rudd, on February 17 to buy more than 20 per cent. of the Ultra equity from major shareholders as a build-up to a possible takeover bid.

These deals were to be clinched by offering to "top up" the purchase price to any bid price subsequently offered by Racial. This arrangement was in breach of the takeover code which forbids purchases of shares from selected shareholders on favourable terms that are not available to all shareholders.

Ranks Hovis extends pasta interests into the Mid-West

BY CHRISTINE MOIR

ONE OF the top three U.K. flour and bread groups, Ranks Hovis Ltd., which has world-wide sales of nearly £1m a year, has bought a U.S. pasta manufacturing company for £12.2m in cash.

The company, Ravarino and Freschi, has a factory in St. Louis and another in Chicago. Last year it made trading profits of £2.2m and it has a net book value of £5.1m.

The purchase of R and F takes its expansion plans a stage further. RHM said yesterday that its North American operations had been performing "terribly well".

Clay Cross vote splits Labour

FROM RICHARD EVANS, LOBBY EDITOR, IN BRIGHTON

LABOUR'S National Executive Committee, after successfully keeping the rank and file quiet for most of this week's party conference, was embarrassed yesterday by a reversal on the sensitive issue of the Clay Cross councillors.

Against the NEC's recommendation, a resolution was passed overwheavily in favour of the continued disqualification of Cross from public office of 21 Clay Cross Labour councillors who had demanded that the Government should introduce a Bill to remove the disqualification forthwith.

The decision means that the Conservative party and embarrassed ministers for years, is now back on the agenda, with the party in the country again in conflict with the Government.

Weather

Table with columns for U.K. TO-DAY, BUSINESS CENTRES, and HOLIDAY RESORTS, listing weather conditions and temperatures for various locations.

EEC talks on textile imports may be delayed

By Rhys David, Textiles Correspondent

EEC TALKS with leading textile supplying countries—due to start in Brussels next week—may be delayed as a result of strong objections by Britain over the Community's failure to prepare its position adequately.

Britain, with some support from France, has been expressing concern at the slow progress made by EEC member countries in adding detail to the Community mandate drawn up last month for its negotiators.

Progress has been slow. Despite long night sessions earlier this week, further meetings of the group will have to take place on Monday.

The sessions so far have been bogged down in lobbying by individual countries for their interests and those of countries in the Third World with which the tentative agreements reached have subsequently been scrambled.

Champagne

With delegates from Hong Kong, India and Pakistan arriving this week-end in time for a champagne reception on Monday before the talks are due to start, Britain and France—under pressure to allow the Commission to open substantive talks on time to work within the broad framework of the mandate with maximum flexibility.

Britain is believed to be stressing that if this approach is adopted, it will prove difficult to ensure that the overall intentions of the mandate—a growth rate of no more than 6 per cent. in textile imports with a much lower growth rate for some sensitive products, and for countries which have already built up a large export trade with the EEC—be achieved.

Though Community officials were claiming in Brussels yesterday that talks will go ahead as planned, Britain may try to insist on a largely formal start with the member countries returning to add more flesh to the bones of the mandate.

U.K. officials accept that Britain may appear to be obstructing the start of effective negotiations but they claim there has been a lack of will by some other member countries in getting down to discuss how quotas should operate.

The talks with supplying countries have in the concluded by the end of November or early December in order that further discussions can take place in Geneva on a new Multi-Fibre Arrangement covering worldwide trade from next January.

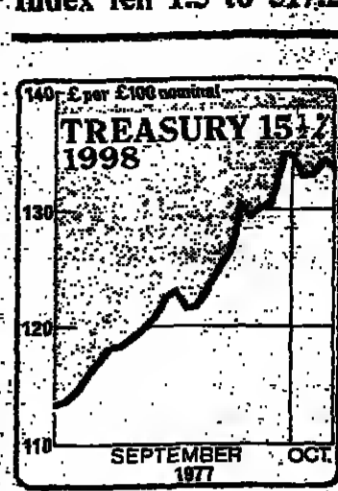
Any agreement which the EEC made with supplying countries on a bilateral basis would be incorporated into this.

THE LEX COLUMN

Market shrugs off the MLR news

A year to the day after Minimum Lending Rate was hoisted to 15 per cent., it fell by half a point to 5 1/2 per cent. yesterday. All eyes are now on the clearing banks which could well make a base rate move on Monday.

Index fell 1.5 to 517.2



For the rest, however, it has been a dull week in the stock market. Both the equity and gilt-edged indices have slipped back. The equity market has become quieter and is still affected by the generally uninspiring trend of company profits as with EMI on Thursday.

portfolio but also of the insurance companies and the trust management contracts.

Accounts

Private investors may still form the largest single category of shareholder in British companies but most of them cannot make head or tail of a set of company accounts. Most private shareholders only read the chairman's report thoroughly, less than 40 per cent. inspect the profit and loss account, and under 30 per cent. bother to turn over to the balance sheet, most of the terms in which they cannot understand anyhow.

The typical private shareholder appears to be male, and holds relatively few shares in the company. He probably forms his own investment judgments without expert assistance and may well be more influenced in making these decisions by the financial press than the annual reports of the company concerned.

These are just some of the main points to emerge from a study of private shareholder behaviour, published by the English Institute of Chartered Accountants to-day. The research covers over 700 shareholders in two public companies. The overall conclusion is that available financial information about companies is generally little used or understood by private shareholders.

This "communications gap" between companies and their private shareholders—who may really realise a higher amount represent as much as 90 per cent. of the total shareholder population—leads the authors of the study to argue that financial auditors continue to have reservations about the book solely in terms of the so-called values of not only the property sophisticated user. Simplified

and explanatory versions of the annual report, similar to those being produced for employees would go some way towards solving the problem, they suggest.

This rather appealing solution suffers from a number of flaws. If private shareholders are not willing to make an effort to read annual reports now, it may be doubted whether they will change their habits when the literature is dominated by simple graphs and coloured diagrams. More serious, however, is the flexibility and discretion which simplified accounting allows company directors. There are, after all, no rules for preparing employee accounts.

But there is still some hope for the private shareholder. Profit is the one accounting term which makes most sense to him. So the study says.

Arab profits

One of the more embarrassing aspects of the recent gilt-edged boom is a great deal of money has been made by foreign speculators. But little specific information is available; although this week Dresdner Bank owned up to being a heavy investor, generally the extent of foreign operations in the U.K. gilt edged market is a mystery.

However, if the Bahrain Monetary Agency—a small Arab Central Bank—is any guide, some foreigners have made a killing. According to a footnote tucked away at the back of its latest annual report, the BMA had nearly a fifth of its total assets invested in the U.K. gilt edged market at the turn of the year. Since then the market has risen by around a third and, though the BMA took some profits in April, it could well have made more than enough money from its gilt-edged operations over the last nine months to pay for its smart new headquarters complex, being built on the Manama skyline.

Council saves scenic route

PLANS TO straighten the coast road through north Norfolk villages have been abandoned by the county council because it says the bends and twists in the road—which connects the seaside towns of Hunstanton and Cromer—are part of the areas charm. Instead, an inland road will be developed as a fast route between the two towns.

The Why, When, Where and How of Fine Cognac

When Hine?

The Hine family (the name is pronounced to rhyme with the English 'fine') have been making fine Cognacs in Jarnac at the heart of the Charente for six generations. Since then Hine Cognacs have gained a reputation among connoisseurs of fine Cognacs, envied even by other Cognac makers. So when does the connoisseur most appreciate Hine? Traditionally the time when Hine gains its greatest distinction is after dinner. This is particularly true of the finer Hines, like Hine Antique and Hine OV where the delicate blends and subtle bouquets come into their own.

But equally there is a Hine for any occasion. Hine V.S.O.P. on its own or with a mixer has the rarity of flavour some connoisseurs prefer to any other V.S.O.P. Cognacs. Try Hine V.S.O.P. at any time. But only on its own. However good the mixer, there are some things a connoisseur just would not do. So when Hine? Why not now?

Hine The Connoisseurs' Cognac.



Continued from Page 1

Prime rates

The fall in MLR appeared to be acceptable to the Bank of England after a week in which the pound has continued to meet steady demand, partly reflecting the weakness of the dollar. Yesterday, the authorities intervened to hold the pound down in the morning, though it weakened slightly later to end with a fall of nine points at \$1.7688. The trade-weighted

index slipped from 62.4 to 62.3. The Bank also announced a new £500m. issue of low-coupon Government stock designed to be attractive to high tax payers and to help reinforce two similar stocks which mature shortly. The stock £500m. of 3 per cent. Exchequer stock 1981 at an issue price of 92 pence. This gives a flat yield of 3.26 per cent. and a redemption return of 5.32 per cent.

For an informative leaflet on Cognac, send a postcard to: Dept. FT, 6th Floor, 1 Oxendon Street, London SW1Y 4EG.